FORM 8-K/A

Current report filing [amend]

Filing Date: **2011-11-07** | Period of Report: **2011-05-17**
SEC Accession No. 0001047469-11-009157

FILER

Radius Health, Inc.

CIK:**1428522**| IRS No.: **800145732** | State of Incorp.:**DE** | Fiscal Year End: **1231**
Type: **8-K/A** | Act: **34** | File No.: **000-53173** | Film No.: **111185562**
SIC: **6770** Blank checks

Mailing Address
ATTN: CHIEF FINANCIAL OFFICER
201 BROADWAY, 6TH FLOOR
CAMBRIDGE MA 02139

Business Address
ATTN: CHIEF FINANCIAL OFFICER
201 BROADWAY, 6TH FLOOR
CAMBRIDGE MA 02139
617 425 9225

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K/A

(Amendment No. 5)

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

Date of Report (date of earliest event reported): **May 17, 2011**

RADIUS HEALTH, INC.

(Exact name of registrant as specified in its charter)

Delaware	**000-53173**	**80-0145732**
(State of Incorporation)	(Commission File Number)	(IRS Employer Identification Number)

201 Broadway, 6th Floor
Cambridge, MA 02139
(Address of principal executive offices) (Zip Code)

(617) 551-4700
(Registrant' s telephone number, including area code)

MPM ACQUISITION CORP.
c/o MPM Asset Management LLC, 200 Clarendon Street, 54th Floor, Boston, MA 02116
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

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

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

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

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

Item 1.01. Entry into a Material Definitive Agreement.

The disclosures set forth under Item 2.01 hereof are hereby incorporated by reference in this Item 1.01.

Item 2.01. Completion of Acquisition or Disposition of Assets.

Pursuant to an Agreement and Plan of Merger dated April 25, 2011 (the "**Merger Agreement**"), by and among MPM Acquisition Corp. (referred to herein as the "**Company**", "**Radius**" or the "**Registrant**"), RHI Merger Corp., a Delaware corporation and wholly owned subsidiary of the Company ("**MergerCo**"), and Radius Health, Inc., a Delaware corporation ("**Target**"), MergerCo merged with and into Target, with Target remaining as the surviving entity and a wholly-owned operating subsidiary of the Company. This transaction is referred to throughout this report as the "Merger." The Merger was effective as of May 17, 2011, upon the filing of a certificate of merger with the Delaware Secretary of State.

At the effective time of the Merger (the "Effective Time"), the legal existence of MergerCo ceased and all of the shares of Target' s common stock, par value $.01 per share (the "**Target Common Stock**"), and shares of Target' s preferred stock, par value $.01 per share (the "**Target Preferred Stock**"), that were outstanding immediately prior to the Merger were cancelled and each outstanding share of Target Common Stock outstanding immediately prior to the Effective Time was automatically converted into the right to receive one share of the Company' s Common Stock and each outstanding share of Target Preferred Stock outstanding immediately prior to the Effective Time was automatically converted into the right to receive one-tenth of one share of the Company' s Preferred Stock from the Company as consideration for the Merger. More specifically, each share of Series A-1 Convertible Preferred Stock of Target outstanding immediately prior to the Effective Time was converted into the right to receive 0.1 shares of Series A-1 Convertible Preferred stock of the Company; each share of Series A-2 Convertible Preferred Stock of Target outstanding immediately prior to the Effective Time was converted into the right to receive 0.1 shares of Series A-2 Convertible Preferred stock of the Company; each share of Series A-3 Convertible Preferred Stock of Target outstanding immediately prior to the Effective Time was converted into the right to receive 0.1 shares of Series A-3 Convertible Preferred stock of the Company; each share of Series A-4 Convertible Preferred Stock of Target outstanding immediately prior to the Effective Time was converted into the right to receive 0.1 shares of Series A-4 Convertible Preferred stock of the Company; each share of Series A-5 Convertible Preferred Stock of Target outstanding immediately prior to the Effective Time was converted into the right to receive 0.1 shares of Series A-5 Convertible Preferred stock of the Company; and each share of Series A-6 Convertible Preferred Stock of Target outstanding immediately prior to the Effective Time was converted into the right to receive 0.1 shares of Series A-6 Convertible Preferred stock of the Company. The Company assumed all options and warrants of Target outstanding immediately prior to the Effective Time, which shall become exercisable for shares of the Company' s Common Stock or Preferred Stock, as the case may be. See the description of the material terms of the options and warrants assumed in the merger in sections herein entitled "2003 Long-Term Incentive Plan" and "Description of Securities−Stock Purchase Warrants", respectively. Target and the Company agreed to indemnify each of their officers and directors for their actions relating to the consideration, approval or consummation of the Merger Agreement, in accordance with an indemnity agreement (the "**Indemnity Agreement**") entered into by and between Target, the Company and their respective officers before the closing of the merger. The Company' s entry into the Merger Agreement was disclosed on the Company' s Current Report on Form 8-K filed with the Securities and Exchange Commission on April 29, 2011, which is hereby incorporated by reference, including the copy of the Merger Agreement filed as Exhibit 10.1 thereto.

Contemporaneously with the closing of the Merger, pursuant to the terms of a Redemption Agreement dated April 25, 2011 by and among the Company and its then-current sole stockholder, the Company completed the repurchase of 5,000,000 shares of Common Stock (the "**Redemption**") from its former sole stockholder, MPM Asset Management LLC, in consideration of an aggregate of $50,000 plus reimbursement of certain costs for prior audit and legal fees, SEC filing fees, taxes and postage in the aggregate amount of $110,724.81. The 5,000,000 shares constituted all of the issued and outstanding shares of the Company' s capital stock, on a fully-diluted basis, immediately prior to the Merger. The Company' s entry into the Redemption Agreement was disclosed on the Company' s Current Report on Form 8-K filed with the Securities and Exchange Commission on April 29, 2011, which is hereby incorporated by reference, including the copy of the Redemption Agreement filed as Exhibit 10.2 thereto. Also in connection with the Merger, the Company entered into Indemnification Agreements with each member of its board of directors, copies of which are filed here with as Exhibits 10.52 to and including Exhibit 10.62.

Upon completion of the Merger and the Redemption, the former stockholders of Target held 100% of the outstanding shares of capital stock of the Company. Accordingly, the Merger represents a change in control of the Company. As of the date of this report, there are 555,594 shares of our Common Stock and 1,549,130 shares of our Preferred Stock outstanding.

Pursuant to the Merger, we assumed all of the Target' s obligations under its existing contracts, including those filed herewith as material contracts. In particular, we have assumed the rights and obligations of Target under that certain Series A-1 Convertible Preferred Stock Purchase Agreement (the "Original Purchase Agreement") with certain investors listed therein (the "Investors") pursuant to which, among other things, we are obligated to issue and sell to the Investors up to an aggregate of 789,553 shares of Series A-1 Convertible Preferred Stock, par value $.01 per share, to be completed in three closings (the initial closing, the "Stage I Closing", the second closing, the "Stage II Closing" and the final closing, the "Stage III Closing") (collectively, the "Series A-1 Financing"). The Original Purchase Agreement was subsequently amended by Amendment No. 1 thereto to eliminate all closing conditions previously provided for in the Original Purchase Agreement (as so amended, the "Purchase Agreement"). Upon notice from us, the Investors are obligated to purchase, and we are obligated to issue, 263,178 shares of our Series A-1 Convertible Preferred Closing at the Stage II Closing and 263,180 shares of our Series A-1 Convertible Preferred Stock at the Stage III Closing, each at a purchase price per share of $81.42. There are no conditions to funding if we notify the Investors of any such closing. A copy of the Purchase Agreement is attached hereto as Exhibit 10.26, and is incorporated herein by reference.

As a final step in the reverse merger process, we completed a Short-Form Merger with the Target and changed our name to "Radius Health, Inc." as the surviving entity of the Short-Form Merger.

The Merger will be accounted for as a capital transaction. Upon effectiveness of the Merger, Target' s business plan became our business plan.

The foregoing description of the Merger Agreement, the Redemption Agreement, Purchase Agreement and the transactions contemplated thereby do not purport to be complete and are qualified in their entireties by reference to the Merger Agreement and the Redemption Agreement, respectively.

Following the Merger on May 17, 2011, our Board of Directors approved a transaction pursuant to which Target merged with and into the Company, leaving the Company as the surviving corporation (the "Short-Form Merger"). In connection with the Short-Form Merger, the Company relinquished its corporate name and assumed in its place the name "Radius Health, Inc." The Short-Form and name change became effective on May 17, 2011, upon the filing of a Certificate of Ownership an Merger with the Delaware Secretary of State. Our certificate of incorporation, The Certificate of Ownership and Merger is filed as Exhibit 3.2 hereto.

On May 23, 2011, the Company entered into a Loan and Security Agreement with General Electric Capital Corporation ("GECC") as agent and a lender, and Oxford Finance LLC ("Oxford" and together with GECC, the "Lenders") as a lender, pursuant to which the lenders agreed to make available to the Company $25,000,000 in the aggregate over three term loans. The initial term loan was made on May 23, 2011 in an aggregate principal amount equal to $6,250,000 (the "Initial Term Loan") and is repayable over a term of 42 months, including a six month interest only period. The Initial Term Loan bears interest at 10%. Pursuant to the Agreement, the Company may request two (2) additional term loans, the first, which must be funded not later than November 23, 2011, in an aggregate principal amount equal to $6,250,000 (the "Second Term Loan") and the second, which must be funded not later than May 23, 2012, in an aggregate principal amount equal to $12,500,000 (the "Third Term Loan"). In the event the Second Term Loan is not funded on or before November 23, 2011, the Lenders' commitment to make the Second Term Loan shall be terminated and the total commitment shall be reduced by $6,250,000. In the event the Third Term Loan is not funded on or before May 23, 2012, the Lenders' commitment to make the Third Term Loan shall be terminated and the total commitment shall be further reduced by $12,500,000. Pursunt to the agreement, the Company agreed to issue to the Lenders (or their respective affiliates or designees) stock purchase warrants (collectively, the "Warrants") to purchase in the aggregate a number of shares of the Company' s Series A-1 Preferred Stock equal to the quotient of (a) the product of (i) the amount of the applicable term loan multiplied by (ii) four percent (4%) divided by (b) the exercise price equal to $81.42 per share. The exercise period of each Warrant to be

issued will expire ten (10) years from the date such Warrants are issued. On May 23, 2011, the Company issued a Warrant to each of GECC and Oxford for the purchase of 3,070 shares of Series A-1 Preferred stock.

DESCRIPTION OF THE BUSINESS OF RADIUS HEALTH, INC.

EXPLANATORY NOTE: *Unless otherwise provided in this current report, all references in the balance of this current report to "we," "us," "our company," "our," or the "Company" refer to the combined Radius Health, Inc. entity after giving effect to the Merger and the Short-Form Merger.*

Overview

Radius is a pharmaceutical company focused on acquiring and developing new therapeutics for the treatment of osteoporosis and other women' s health conditions. Our lead product candidate is BA058 Injection, a daily subcutaneous injection of our novel synthetic peptide analog of human parathyroid hormone-related peptide, or hPTHrP, a naturally-occurring bone building hormone, for the treatment of osteoporosis. In April 2011, we began dosing of patients in a pivotal Phase 3 clinical study. A Phase 3 clinical study is designed to show advantages of a novel therapy over an inactive placebo and/or an existing therapy for the same medical indication and to identify any additional side effects not determined in earlier clinical trials. We expect to report top-line data from this Phase 3 clinical study in the first quarter of 2014. Based on our clinical and preclinical results to date, we believe that BA058 stimulates the rapid formation of new high quality bone in patients suffering from osteoporosis and may restore bone mineral density, or BMD, in these patients into the normal reference range. In addition to BA058 Injection, we are developing BA058 Microneedle Patch, a short wear time, transdermal form of BA058 that is delivered by using a microneedle technology from 3M Drug Delivery Systems (3M). The BA058 Microneedle Patch is being studied in a Phase 1b clinical study which began in December 2010. The BA058 Microneedle Patch may eliminate the need for daily injections and lead to better treatment compliance for patients. We believe that development costs for the BA058 Microneedle Patch will be lower than the development costs for BA058 Injection as it will not be necessary to conduct an additional fracture study for the registration of

this follow-on product. As a result of the compressed pathway for the BA058 Microneedle Patch, we expect that marketing approval of the BA058 Microneedle Patch can occur soon after the BA058 Injection.

While there are a number of drugs that help to reduce the rate of bone loss in patients suffering from osteoporosis, there are few that are able to build bone. The only approved therapy in the United States that increases BMD into the normal reference range in these patients is Forteo®, a daily subcutaneous injection of recombinant human parathyroid hormone, or rhPTH(1-34). The product is marketed by Eli Lilly and had reported worldwide sales of $830 million in 2010. We believe that BA058 may offer a number of important advantages over Forteo®, including greater efficacy, a faster benefit, a shorter course of therapy, an improved safety profile and no need to refrigerate in use BA058 Injection. We believe, if approved, the BA058 Injection and the BA058 Microneedle Patch will offer an attractive bone anabolic treatment option for prescribing physicians and women with compelling advantages in safety, efficacy and delivery over Forteo®.

Based upon guidance we have received from the United States Food and Drug Administration, or the FDA and the European Medicines Agency, or the EMA, we believe that a single pivotal placebo-controlled, comparative Phase 3 study will be sufficient to support registration of BA058 Injection for the treatment of osteoporosis in both the United States and the European Union. Our planned study will enroll a total of 2,400 patients to be randomized equally to receive daily doses of one of the following: 80 micrograms (µg) of BA058, a matching placebo, or the approved dose of 20 µg of Forteo® for 18 months. The study will be designed to support, or not, our belief that BA058 is superior to (i) placebo for fracture and (ii) Forteo® for greater BMD improvement at major skeletal sites and for a lower occurrence of hypercalcemia, a condition in which the calcium level in a patient' s blood is above normal. We believe that the study will also show that BMD gains for BA058 patients will be earlier than for Forteo® patients.

Market Opportunity for BA058

Osteoporosis is a disease characterized by low bone mass and structural deterioration of bone tissue, leading to an increase in fractures. The prevalence of osteoporosis is growing in developed nations with the aging of the populations. The National Osteoporosis Foundation ("NOF") has estimated that (i) 10 million people in the United States, comprising eight million women and two million men, already have osteoporosis and another 34 million have low bone mass placing them at increased risk for osteoporosis and (ii) osteoporosis was responsible for more than 2 million fractures in the United States in 2005 resulting in an estimated $19 billion in costs. The NOF expects that the number of fractures due to osteoporosis will rise to more than 3 million by 2025.

In 2011, Cowen and Company, an investment banking firm, estimated that total worldwide sales of osteoporosis products was $7.6 billion in 2010. There are two main types of osteoporosis drugs now available in the United States: (i) anti-resorptive agents such as bisphosphonates including Actonel®, Boniva® or Reclast®, and Prolia® (a nuclear factor kB ligand, or RANKL, inhibitor marketed by Amgen), as well as calcitonins and selective estrogen receptor modulators such as Evista® marketed by Lilly; and (ii) anabolic agents, with Forteo® being the only approved drug of this type. Anti-resorptive agents act to prevent further bone loss by inhibiting the breakdown of bone whereas anabolic agents stimulate bone formation to build high quality, new bone. The use of bisphosphonates have been associated with infrequent but serious adverse events such as osteonecrosis of the jaw, atrial fibrillation and anomalous fractures resulting from "frozen bone" that have created increasing concern with physicians and patients. Many physicians are seeking alternatives to current anti-resorptive therapies and we believe this will drive greater demand for bone anabolic agents in the future. We believe that there is a significant opportunity for a new anabolic agent such as BA058 that will increase bone mineral density to a greater degree and at a faster rate than Forteo® with added advantages in convenience and safety.

Our Strategy

We plan to build a pharmaceutical company focused on acquiring and developing new therapeutics for osteoporosis and women' s health by:

- Completing the single, pivotal Phase 3 clinical trial of BA058 Injection for the treatment of osteoporosis in the first quarter of 2014
- Pursuing the clinical development of BA058 Microneedle Patch as a follow-on product for the treatment of osteoporosis;

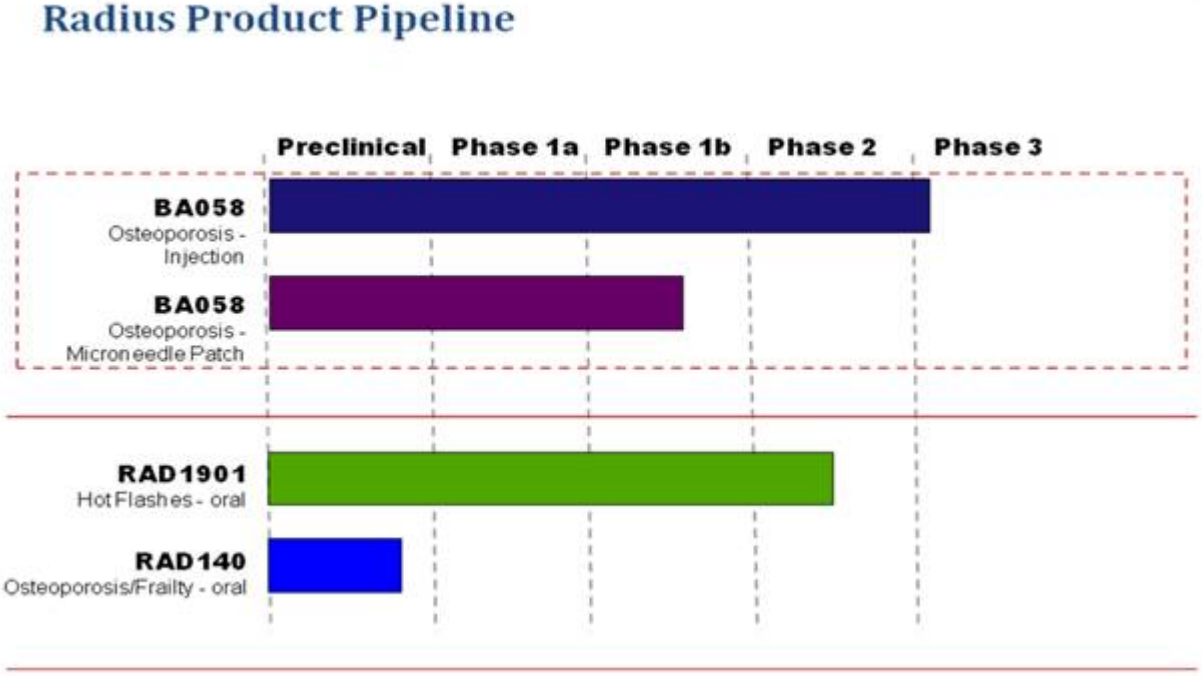
- Obtaining regulatory approval of BA058 Injection and BA058 Microneedle Patch for the treatment of osteoporosis, initially in the United States and subsequently in the European Union;
- Collaborating with third parties for the worldwide commercialization of BA058; and
- Collaborating with third parties for the further development and commercialization of RAD1901 and RAD140 on a worldwide basis.

To execute on our strategy, we have built a strong management team and Board of Directors with significant pharmaceutical development, regulatory and commercial experience.

Our Solution:

In addition to BA058 Injection and BA058 Microneedle Patch, we are currently conducting one other clinical and one preclinical program. Our second clinical stage product candidate is RAD1901, a selective estrogen receptor modulator, or SERM, which we licensed from Eisai Co (Eisai) in 2006. We previously completed an initial Phase 2 clinical study for the treatment of vasomotor symptoms (commonly known as hot flashes) in women entering menopause. A Phase 2 study is designed to test the efficacy of a novel treatment and to confirm the safety profile established in a Phase 1 study. Our third product candidate, RAD140, is a pre-Investigational New Drug, or IND, Application discovery stage of development. RAD140 is a selective androgen receptor modular, or SARM, that is an orally-active androgen agonist on muscle and bone and is a potential treatment for age-related muscle loss, frailty, weight loss associated with cancer cachexia and osteoporosis.

The following table summarizes the target indications, dosage forms, and stages of development for our product candidates.



Research and Development Expenses

The following table sets forth our research and development expenses related to BA058 injection, BA058 Microneedle Patch, RAD1901 and RAD140 for the years ended December 31, 2009 and 2010 and the six months ended June 30, 2010 and 2011. We began tracking program expenses for BA058 Injection in 2005, and program expenses from inception to June 30, 2011 were approximately $43.1 million. We began tracking program expenses for BA058 Microneedle Patch in 2007, and program expenses from inception to June 30, 2011 were approximately $8.2 million. We began tracking program expenses for RAD1901 in 2006, and program expenses from inception to June 30, 2011 were approximately $15.3 million. We began tracking program expenses for RAD140 in 2008, and program expenses from inception to June 30, 2011 were approximately $5.2 million. These expenses relate primarily to external costs associated with manufacturing, preclinical studies and clinical trial costs. Costs related to facilities, depreciation, share-based compensation, and research and development support services are not directly charged to programs as they benefit multiple research programs that share resources.

	Year ended December 31,		Six Months ended June 30,	
	2009	2010	2010	2011
	(in thousands)			
BA058 Injection	$ 3,671	$ 4,664	$ 661	$ 16,774
BA058 Microneedle Patch	2,819	1,863	857	2,758
RAD1901	2,185	1,654	1,040	–
RAD140	2,031	313	287	23

See “Management’ s Discussion and Analysis−Financial Overview−Research and Development Costs” for a more detailed discussion related to our research and development expenses and uncertainties related to predicting how much research and development expense we may incur in connection with our existing or future, in any, product candidates.

BA058

BA058 is a novel synthetic peptide analog of human Parathyroid hormone-related peptide, or hPTHrP, being developed by us as a bone anabolic treatment for osteoporosis. hPTHrP is critical in the formation of the embryonic skeleton and is involved in the regulation of bone formation, able to rebuild bone with low associated risk of inducing the presence of too much calcium in the blood, known as hypercalcemia as a side-effect. Human PTHrP is different to hPTH in its structure and role. In 2009, the medical journal, Nature Chemical Biology, published results of a study indicating that PTH and PTHrP activate the same PTHR1 receptor but produce divergent effects in bone

due to differences in downstream cell signaling. We believe that BA058 is the most advanced hPTHrP analog in clinical development for the treatment of osteoporosis. We acquired and maintain exclusive worldwide rights (except Japan) to certain patents, data and technical information related to BA058 through a license agreement with SCRAS SAS, a French corporation on behalf of itself and its affiliates (together with Ipsen SAS and its other affiliates) dated September 2005. Based on clinical and preclinical data to date, we believe that BA058 has the following important potential advantages over

Forteo® rhPTH(1-34), the only other approved anabolic agent for osteoporosis in the US:

- Greater efficacy,
- Faster benefit,
- Shorter treatment duration,
- Less hypercalcemia,
- No additional safety risks, and
- No refrigeration required in use.

BA058 Injection

In August 2009, we announced positive Phase 2 data that showed BA058 Injection produced faster and greater BMD increases at the spine and the hip after 6 months and 12 months of treatment than did Forteo®, which was a comparator in our study. Key findings were that the highest dose of BA058, which was 80 µg increased mean lumbar spine BMD at 6 and 12 months by 6.7% and 12.9% compared to the increases seen with Forteo® trial arms of 5.5% and 8.6%, respectively. BA058 also produced increases in mean femoral neck BMD at the hip at 6 and 12 months of 3.1% and 4.1% compared to increases for Forteo® of 1.1% and 2.2%, respectively. We believe there to be a strong correlation between an increased level of BMD and a reduction in the risk of fracture for patients with osteoporosis. BA058 was generally safe and well tolerated in this study, with adverse events similar between the BA058, placebo and Forteo® groups. In addition, the occurrence of hypercalcemia as a side-effect was half that seen with Forteo® for the 80 µg dose of BA058.

In March 2011, we entered an agreement with Nordic Bioscience, or Nordic, to manage the Phase 3 study of BA058 Injection. The study will be conducted in 10 countries at 13 centers operated by the Center for Clinical and Basic Research, or CCBR. CCBR is a leading global clinical research organization with extensive experience in global osteoporosis registration studies. We expect to report top-line data from the Phase 3 study of BA058 Injection in the first quarter of 2014. Before we submit an NDA to the FDA for BA058 as a treatment for osteoporosis, we must complete our pivotal Phase 3 study, a thorough QT study, a renal safety study, an osteosarcoma study in rats, and bone quality studies in rats and monkey. We have not commenced all of these required studies and the results of these studies will have an important bearing on the approval of BA058.

The FDA approval process is lengthy and expensive. While the date of FDA approval of BA058 cannot be predicted, FDA approval is not expected before late 2015 and may not be granted, if ever, for several years thereafter. If we do not obtain the necessary regulatory approvals to commercialize BA058, we will not be able to sell the product candidate. Given BA058 is our lead product candidate and the only one currently in late stage development, failure to obtain FDA approval of BA058 will severely undermine our business by leaving us without a saleable product, and therefore without any source of revenues, until another product candidate can be developed. There is no guarantee that we will ever be able to develop or acquire another product candidate. See our discussion of timing of approval, including factors that may result in potential delays, and related research and development costs matters set forth in this Form 8-K under "Management' s Discussion and Analysis−Financial Overview−Research and Development Costs". As result of the uncertainties discussed there, we are unable to determine the duration and costs to complete current or future clinical stages of our BA058 product candidate or when, or to what extent, we will generate revenues from the commercialization and sale of any of BA058. Notwithstanding the foregoing, future research and development costs related to BA058 Injection is estimated to be at least an additional $160 million. From January 1, 2009 through March 30, 2011, we have incurred $11.3 million in research and development costs related to BA058 Injection. Any failure by us to obtain, or any delay in obtaining, regulatory approvals for BA058 Injection would significantly increase our need to raise additional working capital funds and materially adversely affect our product development efforts and our business overall. Our continued operations, including the development of the BA058 Injection, will depend on whether we are able to raise additional funds through various potential sources, such as equity and debt financing

and potential collaboration agreements. We will seek to continue to fund operations from cash on hand and through additional equity and/or debt financing and potential collaboration agreements To date, a significant portion of our financing has been through private placements of Preferred Stock. We can give no assurances that any additional capital that we are able to obtain will be sufficient to meet our needs. If we do not succeed in timely raising additional funds on acceptable terms, we may be unable to complete planned pre-clinical and clinical trials or obtain approval of any product candidates from the FDA and other regulatory authorities. In addition, we could be forced to discontinue product development, reduce or forego sales and marketing efforts and forego attractive business opportunities. Any additional sources of financing will likely involve the issuance of additional equity securities, which will have a dilutive effect on stockholders.

BA058 Microneedle Patch

In December 2010, we initiated a combined single and seven-day repeat-dose Phase 1 clinical study of the BA058 Microneedle Patch in healthy subjects with top-line data expected to be available in the fourth quarter of 2011. Following this Phase 1 study, we plan to select a dose range to conduct a Phase 2 clinical study comparing multiple daily doses of the BA058 Microneedle Patch to placebo and BA058 Injection using lumbar spine BMD at 6 months as the primary endpoint. We expect to begin the Phase 2 BA058 Microneedle Patch clinical study in mid 2012 with top-line data available in mid 2013. If the BA058 Injection product is already approved by the FDA, we believe that we will only need to conduct a single non-inferiority Phase 3 clinical study comparing the change in lumbar spine BMD at 12 months for patients dosed with the BA058 Microneedle Patch to patients dosed with the BA058 Injection to show that the effect of the BA058 Microneedle Patch treatment is not worse than that of BA058 Injection.

We believe that development costs for the BA058 Microneedle Patch will be lower than the injectable version as it will not be necessary to conduct an additional fracture study for this follow-on product. As a result of the compressed pathway, we expect that marketing approval of the BA058 Microneedle Patch can occur soon after the BA058 Injection. Therefore, the FDA approval, and the timing of any such approval, is dependent upon the approval of BA058 Injection and therefore is not likely to receive FDA approval, if ever, until at least two years following approval of BA058 Injection, however, any such time estimate is subject to the same potential delays discussed under Management' s Discussion and Analysis−Financial Overview−Research and Development Costs". As result of the uncertainties discussed there, we are unable to determine the costs to complete current or future clinical stages of the BA058 Microneedle Patch candidate or when, or to what extent, we will generate revenues from the commercialization and sale of any of BA058. Notwithstanding the foregoing, future research and development costs related to BA058 Microneedle Patch is estimated to be at least an additional $50 million. From January 1, 2009 through March 30, 2011, we have incurred $5.3 million in research and development costs related to the BA058 Microneedle Patch. Any failure by us to obtain, or any delay in obtaining, regulatory approvals for BA058 Microneedle Patch could significantly increase our need to raise additional working capital funds and materially adversely affect our product development efforts and our business overall. Our continued operations, including the development of the BA058 Microneedle Patch, will depend on whether we are able to raise additional funds through various potential sources, such as equity and debt financing and potential collaboration agreements. We will seek to continue to fund operations from cash on hand and through additional equity and/or debt financing and potential collaboration agreements. To date, a significant portion of our financing has been through private placements of Preferred Stock. We can give no assurances that any additional capital that we are able to obtain will be sufficient to meet our needs. If we do not succeed in timely raising additional funds on acceptable terms, we may be unable to complete planned pre-clinical and clinical trials or obtain approval of any product candidates from the FDA and other regulatory authorities. In addition, we could be forced to discontinue product development, reduce or forego sales and marketing efforts and forego attractive business opportunities. Any additional sources of financing will likely involve the issuance of additional equity securities, which will have a dilutive effect on stockholders.

Background on Osteoporosis

Osteoporosis is a disease characterized by low bone mass and structural deterioration of bone tissue, which can lead to an increase in fractures. A bone density test is the only non-invasive test that can diagnose osteoporosis before a broken bone occurs and is reported using T-scores. The test uses a procedure called bone densitometry (DXA) performed in the radiology or nuclear medicine departments of hospitals or clinics. A BMD t-score is the number of standard deviations above or below the mean BMD for a healthy 30 year old adult of the same sex and ethnicity as the patient. A t-score of -1.0 or above is normal bone density, whereas a t-score of -2.5 or below is a diagnosis of osteoporosis.

On its website, www.nof.org, the National Osteoporosis Foundation (NOF) has estimated that 10 million people in the United States, comprising eight million women and two million men, already have osteoporosis and another 34 million have low bone mass placing them at

increased risk for osteoporosis and broken bones. All bones become more fragile and susceptible to fracture as the disease progresses. People tend to be unaware that their bones are getting weaker, and a person with osteoporosis can fracture a bone from even a minor fall. Fractures due to osteoporosis are most likely to occur in the hip, spine and wrist. According to the NOF, osteoporosis was responsible for more than 2 million fractures in the United States in 2005; vertebral (spinal) fractures may result in severe back pain, loss of height or spinal deformities; there were approximately 293,000 Americans age 45 and over admitted to hospitals in 2005 with a fracture of the femoral neck, a common type of hip fracture that is

associated with osteoporosis; a women' s lifetime risk of a hip fracture is equal to her combined risk of breast, uterine and ovarian cancer; and an average of 24 percent of hip fracture patients aged 50 and over dies in the year following their fracture; while additional 20 percent of patients who were ambulatory before their hip fracture require long-term care.

The debilitating effects of osteoporosis have substantial costs. Loss of mobility, admission to nursing homes and dependence on caregivers are all common consequences of osteoporosis. The NOF has estimated that osteoporosis-related fractures were responsible for $19 billion in costs in 2005.

The prevalence of osteoporosis is growing and, according to the NOF, is significantly under-recognized and under-treated in the population. While the aging of the population is a primary driver of an increase in cases, osteoporosis is also increasing from the use of drugs that induce bone loss, such as chronic use of glucocorticoids for asthma, aromatase inhibitors that are increasingly used for breast cancer and the hormone therapies used for prostate cancer.

The range of treatment and prevention options for osteoporosis has expanded in recent years from anti-resorptive drugs that act to prevent bone loss by blocking bone resorption, which is the process by which bone is broken down in the body and the resulting minerals, including calcium, are released into the blood, and now includes bisphosphonates, selective estrogen receptor modulators, calcitonins, and most recently in 2010, a genetic-based therapy known as a receptor activator of nuclear factor kappa-B ligand, known as a RANKL inhibitor. Bisphosphonates remain the current standard of care with 2010 world-wide total sales of approximately $4.2 billion according to Cowen and Company' s report dated March 2011 and entitled Therapeutic Categories Outlook, led by Actonel®, Boniva®, and Fosamax®. Generic versions of Fosamax® (alendronate) became available in the US in 2008 and have now gained share from branded oral bisphosphonates.

The only anabolic (i.e., stimulating bone formation) drug approved in the U.S. for osteoporosis is Forteo®, which was approved by the FDA in December 2002. In 2011, the medical journal, *Osteoporosis International*, published results of a study indicating that patients' preferences for osteoporosis medications are strongly influenced by the mode of administration. In particular, when given the choice of subcutaneously injected Forteo® versus other therapies, patients preferred the alternative drugs over Forteo, which requires once-daily, self-administered injections and must be refrigerated for storage in use. We believe that this research suggests that there is a substantial opportunity to optimize patient outcomes and expand the market by improved treatment compliance with a bone anabolic drug that offers an alternative to daily injection, is room-temperature-stable and requires a shorter treatment duration, such as the BA058 Microneedle Patch. Forteo® had world-wide sales of $594 million in 2006 and grew to $830 million in sales for 2010.

Clinical Development Program for BA058

Radius is developing BA058 for the prevention of fractures in postmenopausal women at risk of fracture from severe osteoporosis. Recognizing both the therapeutic potential of BA058 in this indication as well as the drawbacks inherent in self-injection therapies in this population, Radius is also developing the BA058 Microneedle Patch for transdermal administration of the product using a microneedle technology from 3M. We plan to develop and register BA058 Injection as our lead product, with the BA058 Microneedle Patch as a fast-following product that provides greater patient convenience. The ability of the Microneedle Patch to capitalize on the more extensive fracture study data of BA058 Injection will allow the patch product to be accelerated though later phase development without requiring its own fracture study.

Planned and Completed BA058 Studies

Planned Studies
BA058 Injection, Phase 3

The Phase 3 study for BA058 Injection (Study BA058-05-003) was submitted as a draft protocol to IND 73,176 on December 18, 2009, and was the subject of a Type B End of Phase 2 Meeting conducted with the FDA on January 21, 2010. The protocol was subsequently revised and submitted to the FDA on December 17, 2010. The study is planned to enroll 2,400 patients at 13 medical centers in 10 countries in Europe, Latin America and Asia.

Study Objectives

The primary objective of this study is to determine the safety and efficacy of BA058 Injection at a dose of 80 µg when compared to a matching placebo for prevention of vertebral fracture in otherwise healthy ambulatory postmenopausal women at risk of fracture from severe osteoporosis. Patients, investigators and independent assessors will be blinded as to treatment for that outcome. The secondary objectives of this study are to determine the safety and efficacy of BA058 at a dose of 80 µg when compared to placebo for prevention of non-vertebral fractures and for change in vertical height. Additional key secondary efficacy outcomes include BMD of spine, hip and femoral neck and hypercalcemia when compared to Forteo®.

Study Population

The study will enroll otherwise healthy ambulatory postmenopausal (≥ 5 years) women from 50 to 85 years of age (inclusive) who meet the study entry criteria and have provided written informed consent. The women will have a BMD T-score ≤ -2.5 and > -5.0 at the lumbar spine or hip (femoral neck) by DXA and radiological evidence of two or more mild or one or more moderate lumbar or thoracic vertebral fractures, or history of low trauma forearm, humerus, sacral, pelvic, hip, femoral, or tibial fracture within the past 5 years. Postmenopausal women older than 65 who meet the above fracture criteria but have a T-score ≤ -2.0 and > -5.0 may be enrolled. Women older than 65 who do not meet the fracture criteria may also be enrolled if their T-score is ≤ -3.0 and > -5.0. Osteoporosis is defined as when a patient' s T-score is -2.5 or lower, meaning that the patient has a BMD that is two and a half standard deviations below the mean of a thirty year old man or woman, as applicable.

All patients are to be in good general health as determined by medical history, physical examination (including vital signs) and clinical laboratory testing.

Study Design

The planned 2,400 eligible patients will be randomized equally to receive one of the following: BA058 80 µg, a matching placebo, or Forteo® at a dose of 20 µg for 18 months. Study drug will be blinded to patients and medical personnel until the randomization process is completed. Treatment with BA058 at a dose of 80 µg or placebo will remain blinded to all parties throughout the study. Forteo® comes as a proprietary prefilled drug and device combination that cannot be repackaged and therefore, its identity cannot be blinded to treating physicians and patients once use begins. Study medication will be self-administered daily by subcutaneous, or SC, injection for a maximum of 18 months.

The dosages of study medications and the number of patients per group are shown in below.

Study BA058-05-003 − Medication Doses and Number of Patients per Group

Treatment Regimen	Study Medication	Daily Dose (SC)	Duration	Number of Patients
1	BA058	80 µg	18 months	800
2	Placebo	−	18 months	800

3	Forteo®	20 µg	18 months	800
			Total	2,400

All enrolled patients will also receive Calcium and Vitamin D supplementation from the time of enrollment until the end of the Treatment Period; it will be recommended to patients that they also continue these supplements through the one month follow-up period.

Primary Efficacy Outcomes

The primary efficacy endpoint will be the number of BA058-treated patients showing new vertebral fractures at End-of-Treatment when compared to placebo as evaluated by a blinded assessor according to a standardized graded scale of severity of the vertebral deformity. The sample size per treatment arm provides 90% power at a two-sided alpha to detect superiority difference between placebo patients and those who receive BA058 at a dose of 80 µg on vertebral fracture incidence.

Secondary Efficacy Endpoints

Secondary efficacy parameters will also include reduction in the incidence of non-vertebral fractures to the wrist, hip and rib, for example, and reduction in moderate and severe vertebral fractures. Other secondary efficacy endpoints will include changes in BMD of the spine, hip, femoral neck and wrist from baseline to end-of-treatment as assessed by DXA.

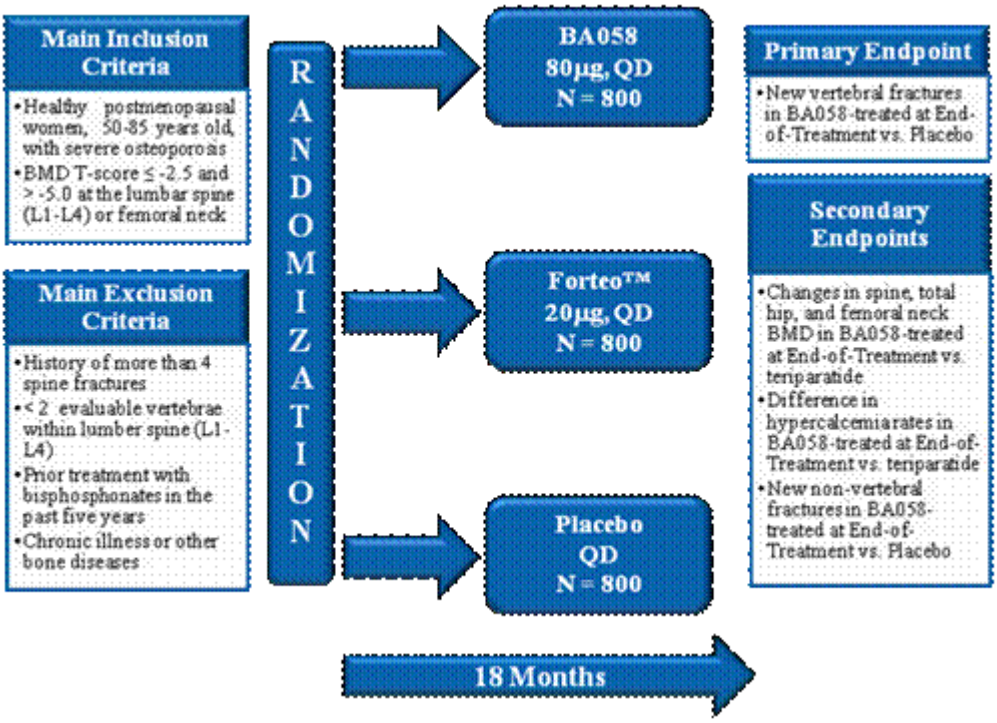
Additional secondary endpoints will include change in standing height and changes in serum bone formation markers across treatment, such as N-terminal propeptide of type I procollagen PINP, osteocalcin and bone-specific alkaline phosphatase. The frequency of hypercalcemia across treatment groups will also be assessed.

Safety Outcomes

Safety evaluations to be performed will include physical examinations, vital signs, 12-lead electrocardiograms, or ECGs, clinical laboratory tests and monitoring and recording of adverse events. Specific safety assessments will include post-dose (4 hours) determination of serum calcium, determination of creatinine clearance, post-dose ECG assessments at selected visits and assessments of postural hypotension (60 minutes post-dose) at selected clinic visits.

Bone biopsy of the iliac crest will be performed in a subset of patients receiving BA058 at a dose of 80 µg and Placebo (up to 100 per group) for assessment of quantitative bone histomorphometry which is the quantative study of the microscopic organization and structure of the bone tissue, and will be read blinded to treatment by an independent blinded assessor. Renal safety will be further evaluated in a subset of 100 patients in each treatment group by renal computed tomography, or CT, scan.

Overall study safety will be monitored by an independent Data Safety Monitoring Board.



BA058 Microneedle Patch Phase 2

We plan to conduct a Phase 2 randomized, placebo-controlled, parallel group dose-finding clinical trial in mid-2012. The study will evaluate the safety and efficacy of the daily BA058 Microneedle Patch in women with osteoporosis. We intend to enroll about 250 patients and the study will be similar in design to the Phase 2 study for BA058 Injection. The study will evaluate the effects of 3 doses of the BA058 Microneedle Patch, compared to placebo and BA058 Injection 80 µg on change in BMD and anabolic bone markers over 6 months of treatment. The study will be powered to detect clinically meaningful changes in BMD and biomarkers as efficacy measures.

Safety will be assessed as changes in incidence of adverse events, changes in laboratory parameters - in particular serum calcium, change from baseline in the patient' s vital signs and physical examination.

Study participation will be preceded by 4 weeks of pretreatment with Calcium and Vitamin D supplements and treatment conclusion will be followed by a one month period of safety observation.

Completed BA058 Studies
BA058 Injection, Phase 2

A Phase 2 dose-finding clinical trial (Study BA058-05-002) was conducted as a randomized, placebo-controlled, parallel group dose-finding study in the United States, Argentina, India and the United Kingdom. The purpose of the study was to evaluate the safety and efficacy of daily injections of BA058 Injection in women with osteoporosis. Postmenopausal women between the ages of 55 to 85 inclusive who had a BMD T-score of less than or equal to -2 and a prior low trauma fracture, or an additional risk factor were candidates for this study. The study evaluated the effects of BA058 Injection at multiple doses (0, 20, 40 and 80 µg) on recovery of BMD, a marker of fracture risk, and on biomarkers of anabolic and resorptive activity in bone. The study also included a Forteo® treatment arm for reference. These efficacy measures (BMD and bone biomarkers) were designed for statistical significance. After the initial 24 weeks of treatment, eligible patients were

offered a second 24 weeks of their assigned treatment. Safety was assessed throughout the study and reported on at both 6 months and 12 months. BA058 Injection and BA058-placebo were self-administered using a prefilled cartridge in a pen-injector device. Forteo® was self-

administered as the marketed product at the approved dose of 20 µg per day by SC injection. Four weeks prior to start of treatment, patients began taking Calcium and Vitamin D supplements that continued throughout the study.

A total of 270 patients (mean age: 65 years) entered the pretreatment period, 222 patients were randomized, and 221 patients received study treatment and were analyzed in the intent to-treat, or ITT, population with 55 continuing into an additional 24 weeks of treatment. A total of 155 patients were included in the Efficacy Population (Per Protocol) in the initial 24 weeks of treatment.

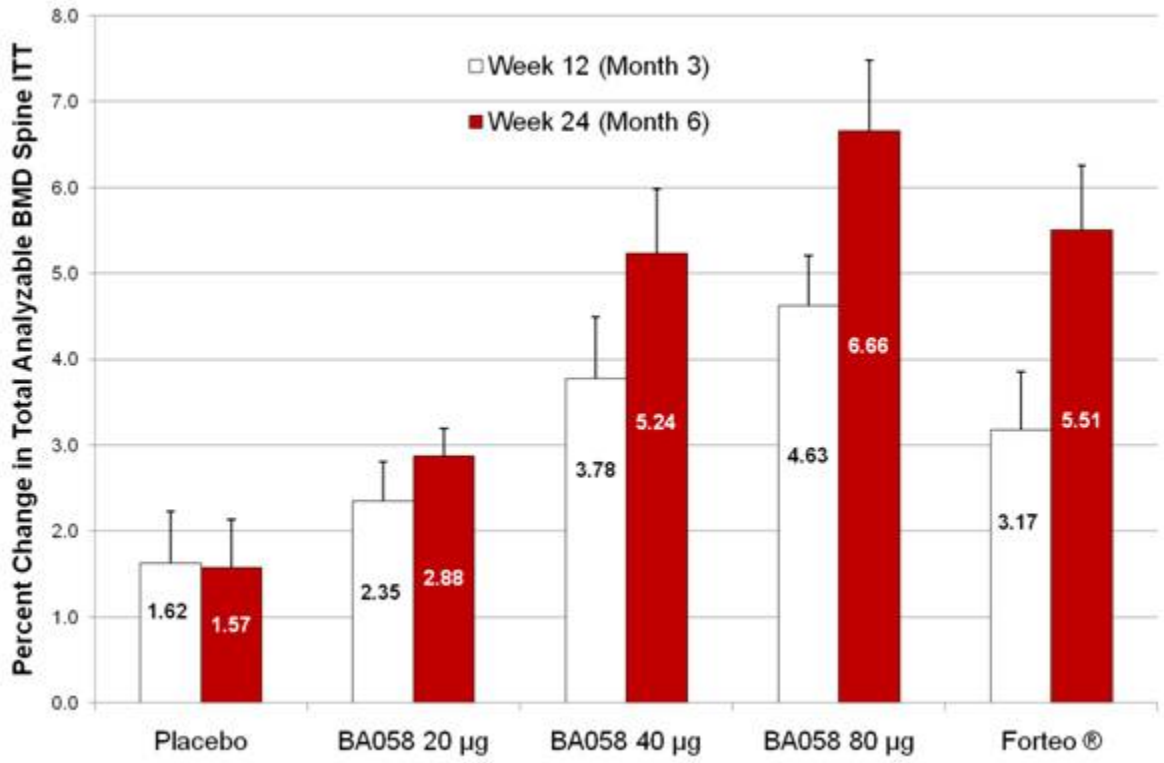
Initial 24 weeks of treatment

The efficacy results of Study BA058-05-002 confirm the preclinical and early clinical hypothesis that BA058 Injection induces a dose-dependent increase in BMD and in markers of bone remodeling measurable at both the 12-week and 24-week assessments.

At week 12, in the ITT population the mean percent change in total analyzable spine BMD increased with dose, Figure A. The mean gains in BMD (active treatment − placebo) for the BA058 Injection 40 µg and 80 µg groups were statistically significant ($p = .0013$ and $p < 0.001$, respectively). The difference was not statistically significant in the BA058 20 µg group and just missed significance in the Forteo® group ($p = 0.055$).

At week 24, the percent change from baseline continued to increase and was statistically significantly proportional to dose ($p<0.001$), see Figure A below. Again, the mean gain in total analyzable spine BMD was statistically significant for the BA058 Injection 40 µg ($p = <0.001$) and 80 µg ($p < 0.001$) groups. The BMD gain at week 24 was also significant for the Forteo® group ($p < 0.001$), but not for the BA058 Injection 20 µg group.

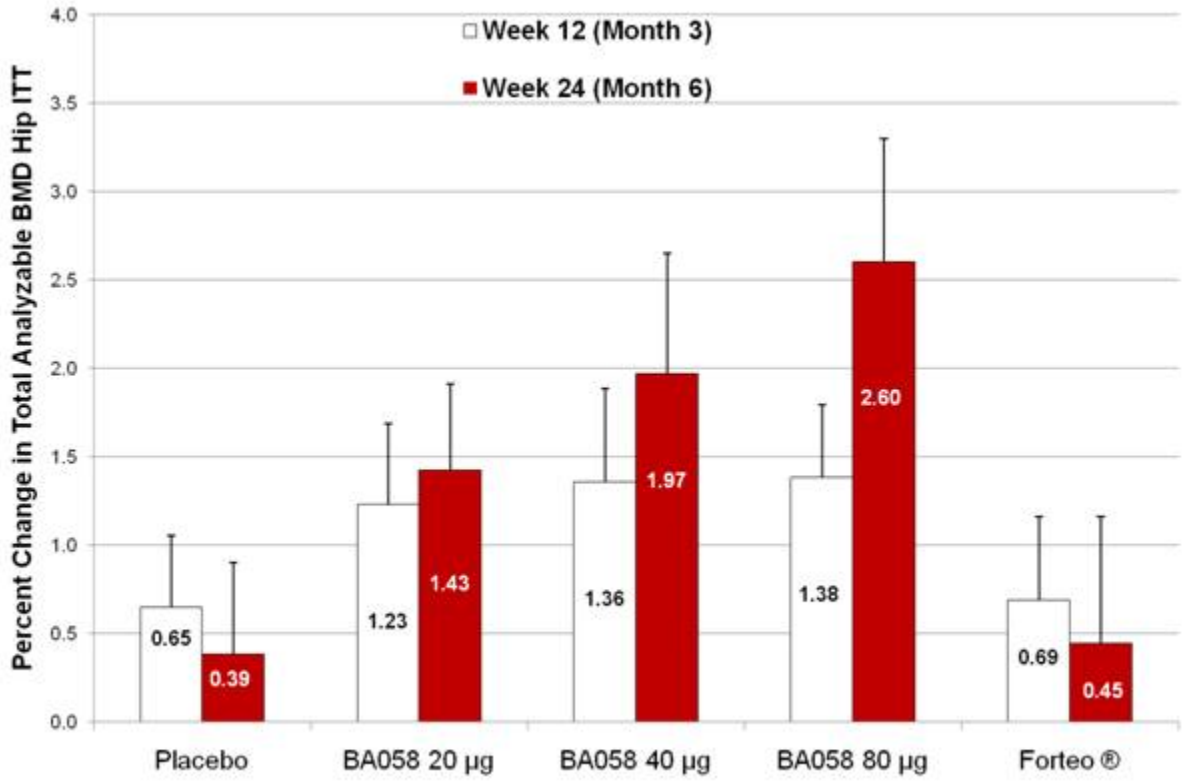
Figure A − Mean Standard Error of the Mean (SEM) Percent Change from Baseline at weeks 12 and 24 in Total Analyzable Spine BMD



An even greater proportional response in BMD was elicited in the hip region. By week 24, mean percent changes in total analyzable hip BMD were 0.4%, 1.4%, 2.0% and 2.6% for the placebo, BA058 at a dose of 20 µg, BA058 at a dose of 40 µg, and BA058 at a dose of

80 µg groups, respectively; mean percent change in the Forteo® (0.5%) group was similar to placebo, see Figure B below. Total hip showed a clear dose response to BA058 and a more than five-fold benefit of BA058 at a dose of 80 µg over Forteo®. A similar relative benefit of BA058 at a dose of 80 µg over Forteo® was seen in all regions of the hip.

Figure B - Mean (SEM) Percent Change from Baseline at weeks 12 and 24 in Total Analyzable Hip BMD (ITT Population, N=221)



BA058 Injection also induced a dose-dependent rise in major markers of bone anabolic activity studied (N-terminal propeptide of type I procollagen PINP, bone specific alkaline phosphatase BSAP, and osteocalcin). The response to Forteo® was generally somewhat greater for all anabolic markers but also bone resorption markers (C-telopeptides of type I collagen crosslinks, or CTX and N-telopeptides of type I collagen crosslinks, or NTX), consistent with published data on later gradual loss of Forteo® BMD benefit.

BA058 Injection was well tolerated at all doses and safety events were consistent with usual medical events in a study population of this age and gender. The safety profile was also similar to that of Forteo® and there were no treatment-related significant (serious) adverse events, or SAEs; however, adverse events were reported by 74% of patients in the first 6 months of treatment, with a similar incidence across all treatment groups. The majority of on-treatment events were mild to moderate in severity and there were no deaths reported. Seven subjects discontinued due to adverse events,1in the BA058 20 µg group, 1 in the BA058 40 µg group, 3 in the BA058 80 µg group and 2 in the teriparatide group Eight patients (4%) experienced at least 1 severe adverse event and the incidence of such events was similar across treatment groups. Five SAEs, unrelated to treatment, were reported in 3 patients. Local tolerance at the injection site was similar across treatment groups and fewer than 20% of subjects reported any symptoms such as redness, at the injection site across the many months of injections.

The level of calcium in the blood, known as serum calcium levels, were monitored throughout the study and clinically significant elevated levels (≥ 10.5 miligrams per deciliter, or mg/dL) were observed in 40% of the Forteo® group while also observed in 4%, 12%, 19% and 18% of the placebo, BA058 Injection at a dose of 20 µg, 40 µg and 80 µg groups, respectively. Most elevations were noted at the 4-hour post-injection time point.

Blood pressure was assessed throughout the study for postural change. Postural changes in blood pressure (predetermined level of change in systolic or diastolic from lying to standing) were reported in 7 patients, including 0%, 5%, 2%, 2% and 7% of patients in the placebo, BA058 Injection 20 µg, 40 µg, 80 µg and Forteo® groups, respectively. Pre-dose postural changes in blood pressure were similar across treatment groups. There were no clinically meaningful differences in ECG parameters between the placebo and active treatment groups.

Seventeen patients had low titer antibodies against BA058 after 6 months of treatment. Of these, 1 was in the placebo group, 2 were in the BA058 20 µg group, 8 were in the BA058 40 µg group and 6 were in the BA058 80 µg group. There were no associated safety events and no attenuation of treatment efficacy. One antibody-positive patient in the BA058 Injection 40 µg group was found to have evidence of neutralizing activity at 24 weeks without evidence of attenuation of drug efficacy, having a 9.3% gain in total analyzable spine BMD at the week 24 assessment.

Extended 24 weeks of treatment

Patients who completed the initial 24 weeks of treatment and continued to meet eligibility criteria were offered participation in the 24-week extension study in which they would continue their assigned treatment. On completion of the regulatory process to approve the study extension, 69 patients remained eligible and 55 participated, including 13, 10, 7, 11 and 14 patients in the BA058 Injection 20 µg, 40 µg, 80 µg, placebo and Forteo® groups, respectively. Forty-eight patients completed the extended treatment period.

BMD continued to increase during the extended 24 weeks of treatment, with the largest percent increases in total analyzable spine BMD, femoral neck BMD and total analyzable hip BMD observed in the BA058 Injection 80 µg group. By week 48, mean percent changes in spine BMD were 0.7%, 5.1%, 9.8% and 12.9% for the placebo, BA058 20 µg, BA058 40 µg and BA058 80 µg, groups, respectively, while mean percent change from baseline in the Forteo® group was 8.6%. At week 48, the mean femoral neck BMD in the BA058 Injection 80 µg group gained 4.1% compared to the mean of the Forteo® group at 2.2%. The respective results for total analyzable hip BMD were 0.7%, 2.2%, 2.1% and 2.7% for the placebo, BA058 20 µg, BA058 40 µg and BA058 80 µg groups, respectively; compared to 1.3% for the Forteo® group.

No treatment-related SAEs or deaths were reported during this time period. Two patients discontinued treatment, one for bilateral femoral hernias (BA058 Injection 80 µg) and one for moderate syncope (BA058 Injection 40 µg). TEAEs occurred in a similar proportion of patients in each treatment group across the 52-week study period and the majority of events were mild or moderate in severity. The profile of events was not different in the second 6 months of study treatment.

Local tolerance of study drug injections was also similar in the second 6 months of treatment. There were no safety signals observed in the evaluation of clinical laboratory parameters.

Conclusions

In conclusion, this study demonstrated that treatment with BA058 Injection induces a substantial positive change in BMD at both spine and hip in women with osteoporosis, with a particular advantage over Forteo® at the hip, and achieves this benefit safely and with substantially less hypercalcemia effect than Forteo®.

BA058 Injection Phase 1 Trials

The First Phase 1 Trial

The first Phase 1 clinical trial was a single-dose study conducted as a randomized, double-blind, placebo-controlled, parallel-group dose escalation study of BA058 Injection in a vial formulation administered as a single SC dose to healthy male and female subjects with a mean age of 61 years. The study administered single SC doses of 2, 5, 7.5, 10, 15, 20, 40, 60, 80, and 100 µg BA058 Injection or placebo. Sixteen subjects also received 2.5 µg of BA058 Injection by the intravenous, or IV, route and 15 µg subcutaneously in separate study periods. In total, 76 subjects received BA058 while 20 received a placebo. No elevation in serum calcium was observed at doses of 80 µg or lower and no clinically relevant effects of BA058 Injection on ECG or continuous monitoring through the use of a Holter monitor readings were

observed. In summary, this study demonstrated that BA058 Injection is 100% bioavailable when administered by the subcutaneously route. BA058

Injection did not induce hypercalcemia and was well tolerated at doses up to 80 µg SC.

The Second Phase 1 Trial

The second Phase 1 clinical trial administered BA058 Injection once daily for seven days. There were 39 study subjects, all healthy postmenopausal women with an average age of 60. Four doses of BA058 Injection (5, 20, 40 or 80 µg) and a matching placebo were studied, with 7 or 8 women receiving each dose for the 7 days of the study. BA058 Injection was well tolerated at all doses and there were no medically important adverse events. All other adverse events were mild or moderate in intensity and did not appear to be related to the dose of study drug. No subjects dropped out or discontinued the study.

BA058 was rapidly absorbed, following injection and reached peak blood levels within 1 hour. The drug was rapidly cleared from the circulation, resulting in half-live values ranging from 1.05 to 2.59 hours. Following BA058 administration, serum parathyroid hormone decreased as would be expected and serum 1,25-dihydroxyvitamin D and serum P1NP rose in an apparent dose-related manner. 1,25-dihydroxyvitamin D is an activated form of Vitamin D and PINP is a bone protein that is increased when new bone is being formed; both are expected and beneficial effects of the study drug its class. Serum calcium showed a slight rise following BA058 administration also an expected effect, but remained within the normal range at all times in all patients other than isolated minor transient elevations in 2 of 7 placebo and 3 of 32 subjects.

The Third Phase 1 Trial

The third Phase 1 clinical trial was a multi-dose study, with the same design as the Second Phase 1 Trial, but using a liquid prefilled multidose cartridge of BA058 and conducted at doses of 80, 100 and 120 µg. BA058 Injection or placebo was administered daily as a SC dose for 7 days to healthy postmenopausal women. Thirty healthy postmenopausal women with an average age of 61 years were enrolled and 29 completed treatment.

BA058 Injection was well tolerated at doses of up to 100 µg but not at 120 µg which met criteria for termination of dose escalation. One patient in the 120 µg group was intolerant of study drug and was discontinued. All adverse events were mild or moderate in intensity. No study subject developed serum antibodies to BA058 following the 7 days of exposure. BA058 pharmacokinetics was again characterized by rapid absorption, reaching mean peak plasma concentration within approximately 0.5 hours; mean half-life values ranged from 1.13 to 1.65 hours. Similar responses in serum PTH, 1,25-dihydroxy Vitamin D and serum P1NP were observed. These higher doses of BA058 Injection were not associated with occurrence of hypercalcemia. In summary, BA058 Injection was well tolerated at up to 100 µg once daily for 7 days.

BA058 Microneedle Patch

First Phase 1 Trial

The objectives of the Microneedle Patch Phase 1 study were to determine the safety, pharmacokinetics, or PK and time course of delivery of BA058 Microneedle Patch in healthy postmenopausal women and to compare the PK profiles of BA058 Microneedle Patch delivered transdermally to BA058 Injection administered subcutaneously.

This study was a randomized, double-blind, placebo-controlled, ascending single-dose study and enrolled 38 healthy postmenopausal women with a mean age 57.6. Subjects underwent up to 3 single dose exposures to BA058 Microneedle Patch, Placebo Microneedle Patch or BA058 Injection 80 µg over the course of 3 Study Periods.

Pharmacokinetic Results

BA058 Microneedle Patch was characterized by a rapid absorption and elimination. The Cmax and half-life times were shorter than for BA058 Injection administration.

Safety Results

The BA058 Microneedle Patch was well tolerated. Safety events were similar between the BA058 Microneedle Patch and BA058 Injection, with the majority of adverse events being mild (99%) and, of these, most were reactions at the application site. There was no clinically notable difference in laboratory or cardiac safety parameters across doses of BA058 or routes of administration.

In conclusion, the Phase 1 study of the BA058 Microneedle Patch demonstrated that BA058 can safely be delivered by this route of administration.

Second Phase 1 Trial

A second Phase 1 single day and 7-day application study of the BA058 Microneedle Patch is currently being conducted in the United States using an optimized Microneedle Patch system. The study is designed as a safety, dose-ranging and time-course pharmacokinetic and pharmacodynamic study. This Phase 1 study will investigate optimal dose, wear time and application site for transdermal delivery of BA058 using an optimized microneedle array.

The study will use a matrix design and will first establish optimal wear time before exploring the impact of application site in the range of doses chosen for evaluation. The results obtained using the BA058 Microneedle Patch will be referenced to those of BA058 Injection at a dose of 80 µg.

Preclinical Pharmacology of BA058

In pharmacology studies conducted with BA058, the following has been shown:

- BA058 is a potent selective agonist of the human PTHR 1 receptor;
- In models of calcium mobilization, BA058 has significantly less calcium mobilizing activity at higher doses than the native hPTHrP(1-34), and less activity than hPTH(1-34);
- BA058 Injection stimulates the formation of normal, well-organized bone and restores BMD in ovariectomized, osteopenic rats and primates. Additionally, mechanical testing of bones from ovariectomized rats after treatment with BA058 revealed a significant increase in femur and vertebral bone strength. BA058 exhibited the majority of its effects through the growth of trabecular bone without compromising cortical bone. Similar studies in rats with BA058 Microneedle Patch show comparable restoration of bone;
- BA058 Injection was well tolerated over a wide range of doses in two species, rats and primates, for up to 6 months and 9 months, respectively;
- Safety pharmacology studies demonstrated no respiratory, gastroenterologic, hematologic, renal or CNS effects. Tachycardia and hypotension were observed in dogs following both intravenous and subcutaneous administration, however such effects were not observed in other species;
- The No Observed Adverse Effect Level was 15, 25 and 25 µg/kg/day in rats in the 4-, 13 and 26-week studies, respectively, and 100, 50 and < 10 µg/kg/day in monkeys in the 4-, 13- and 39-week studies,

- Repeat SC dose studies in both rats and cynomolgus monkeys at doses up to 300 and 450 µg/kg/day, respectively, revealed a relatively fast absorption (Tmax from 0.083 to 1.0 hr); peak serum concentration (Cmax) and Area under the Curve, a measure of drug exposure, increased as the dose increased.

These preclinical studies suggest that compared to hPTH(1-34), BA058 Injection can potentially be used to restore lost BMD with a reduced risk of hypercalcemia and loss of cortical bone.

Planned and Active Preclinical Safety Studies

A two-year subcutaneous injection carcinogenicity study of BA058 in Fischer 344 albino rats is currently on-going and will assess the carcinogenic potential of BA058. The study is being conducted according to the provisions set forth in Guidance ICH-S1A, ICH-S1B, and ICH-S1C(R2), and the design was accepted by FDA on 15 July 2009. This study will evaluate 3 BA058 dose levels, and the doses were selected based upon findings and tolerance in completed long-term rat toxicology studies and the anticipated tolerance over a 2-year dosing period and, furthermore, represents a good exposure multiple over maximum clinical doses. An active comparator arm is also included; a cohort of rats will be dosed with hPTH (1-34), because it is anticipated that osteosarcoma will be observed over time. The active comparator will allow confirmation of the sensitivity of the model. This study will be

conducted in parallel to the Phase 3 clinical program.

Two preclinical bone quality studies will also be conducted, one in female rats who have had their ovaries removed, referred to as ovariectomized, or OVX, rats for up to 12 months of daily BA058 subcutaneous injection, the second study in adult OVX monkeys for up to 18 months. The primary objective of these studies is to demonstrate that long-term treatment with BA058 Injection will not lead to deleterious effects on bone quality by determining BA058' s effect on the mass, architecture and strength of bones. These studies will be conducted in parallel to the Phase 3 clinical program and, in both studies, BA058 will be compared to placebo. The 12-month rat study is being performed in OVX skeletally mature Sprague-Dawley rats, an appropriate species for osteoporosis studies as a result of the cancellous bone changes and bone strength changes similarly noted in humans. In this study, a 13-week bone depletion period will occur after ovariectomy/sham surgery and prior to initiation of daily SC injection dosing with vehicle or three different dose levels of BA058.

The 16-month nonhuman primate study is being performed in OVX monkeys, a larger remodeling species whose bone depletion can be induced by estrogen deficiency, as in human menopause. In this study, an approximate 9-month bone depletion period will occur after OVX/sham surgery and prior to initiation of daily SC injection dosing with vehicle or three dose levels of BA058. The specific objectives and measured outcomes of both studies are to investigate the potential safety and efficacy of BA058 on prevention of bone loss. Retention of bone mass, both cortical bone - dominant in long bones, and cancellous bone - dominant in spinal bone, will be assess by BMD. Preservation of cortical and cancellous bone on strength will be determined by biomechanical testing. The mechanisms by which BA058 affects bone will be assessed by evaluation of biomarkers of bone turnover and histomorphometric indices of bone turnover. Pharmacokinetics of BA058 and development of antidrug antibodies will also be evaluated.

Manufacturing of BA058

BA058 API is manufactured on a contract basis by Lonza Group Ltd. (Lonza), under Good Manufacturing Practices conditions using a solid phase peptide synthesis assembly process, and purification by high pressure liquid chromatography. BA058 Injection is supplied to clinicians as a liquid in a multi-dose cartridge for use in a pen delivery device. The multi-dose cartridges are manufactured by VETTER Pharma Fertigung GmbH & Co (Vetter) for Ipsen. Ipsen in turn, is responsible for supplying Radius with quantities of BA058 Injection for use in certain clinical trials. The BA058 Microneedle Patch is manufactured by 3M based on their patented microneedle technology to administer drugs through the skin, as an alternative to subcutaneous injection.

Patents relating to BA058

Composition of matter of BA058 is claimed in issued patents in the United States (US 5,969,095), Europe, Australia, Canada, China, Hong Kong, Israel, South Korea, New Zealand, Poland, Russia, Singapore and Taiwan. These cases have a normal patent expiration date of 2016 absent the possibility of patent term extension. The phase 3 clinical dosage of BA058 by the subcutaneous route for use in treating osteoporosis is covered by US 7,803,770 until 2028 in the United States (absent extensions) and a related case is currently pending in Europe, China, Australia, Canada, Japan, Brazil, Mexico, Singapore, South Korea, India, Israel, New Zealand, Norway, Russia and Ukraine. A priority patent application covering various aspects of the BA058 for microneedle patch application has been filed in 2011 in the United States (US app. # 61/478,466). Any claims that might issue from app. # 61/478,466 will have a normal expiry date no earlier than 2031.

Competition for BA058

The development and commercialization of new products to treat osteoporosis and women' s health is highly competitive, and there will be considerable competition from major pharmaceutical, biotechnology and specialty pharmaceutical companies. Many of our competitors have substantially more resources than the Company, including both financial and technical. In addition, many of these companies have longer operating histories and more experience than us in preclinical and clinical development, manufacturing, regulatory, and global commercialization. See, "Risk Factors−If we cannot compete successfully for market share against other drug companies, we may not achieve sufficient product revenues and our business may suffer." Competition for highly qualified employees is intense.

Potential competitors of Radius, in relation to BA058 include, but are not limited to, Amgen, Merck & Co., Novartis, Lilly and Zosano. Lilly launched Forteo® in December 2002 as the first-to-market anabolic or bone-building agent for the treatment of osteoporosis. Lilly has also announced that it is investigating a transdermal method of delivery of Forteo®. Zosano is also developing a transdermal form of rhPTH(1-34) that would compete with the BA058 Microneedle Patch. We have no products approved for sale and therefore have no share of any therapeutic markets in which we hope to introduce BA058.

Clinical Development Program for RAD1901

In June 2006, we exclusively licensed the worldwide rights (except Japan) to RAD1901 from Eisai. In particular, we licensed US Patent No. 7,612,114 (effective filing date 12/25/2003, statutory term extended to 8/18/26 with 967 days of patent term adjustment due to delays by the USPTO). RAD1901 is a selective estrogen receptor modulator, or SERM, being developed by us in an oral formulation as a treatment for vasomotor symptoms commonly known as hot flashes.

Background on Vasomotor Symptoms

Hot flashes and night sweats are a common symptom during menopause, and according to the Merck Manual, which can be found on the internet at www.merckmanuals.com/professional/print/sec19/ch260/ch260a.html, up to 85% of women experiencing them during the menopause transition, for a median duration of four years. In 2008, according to U.S. census data, more than 11.5 million women in the United States were in the 45 to 49 age range to enter menopause. In addition, most women receiving systemic therapy for breast cancer suffer hot flashes, often with more severe or prolonged symptoms than women experiencing menopause. These symptoms can disrupt sleep and interfere with quality of life. An estimated two million women undergo menopause every year in the U.S., with a total population of 50 million postmenopausal women.

Historically, hormone replacement therapy, or HRT, with estrogen and/or progesterone was considered the most efficacious approach to relieving menopausal symptoms such as hot flashes. However, data from the Women' s Health Initiative, or WHI, identified increased risks for malignancy and cardiovascular disease associated with estrogen therapy. Sales of HRT declined substantially after the release of the initial WHI data but HRT remains the current standard of care for many women suffering from hot flashes; however, due to concerns about the potential long-term risks and contraindications associated with HRT, we believe that there is a significant need for new therapeutic options to treat vasomotor symptoms. Pfizer' s Premarin family remains the market leader for drugs to manage menopausal symptoms with 2010 worldwide sales of $1 billion.

Pharmacologic Characteristics of RAD1901

RAD1901 has been shown to bind to the estrogen receptor alpha, or ERα, and to have both estrogen-like and estrogen antagonist effects in different tissues. RAD1901 has also been shown to have both estrogen-like behavioral effects in animals and to reduce vasomotor signs in an animal model of menopausal hot flashes. In bone, RAD1901 protects against castration-induced bone loss while showing no unwanted stimulation of the endometrium. In cell culture, RAD1901 does not stimulate replication of breast cancer cells and antagonizes the stimulating effects of estrogen. Overall, therefore, RAD1901 exhibits a number of properties that would make it a suitable drug candidate for the management of menopausal symptoms, in particular the treatment of vasomotor symptoms.

Phase 1

A Phase 1 safety, pharmacokinetic and bioavailability study was conducted in 80 healthy postmenopausal women over a range of doses of RAD1901, including placebo. After single dosing with RAD1901 by mouth, the mean half-life ranged between 27.4 and 32.5 h. Bioavailability was determined to be approximately 10%. Food effect was also investigated and the presence of food was determined to increase absorption and delay clearance of RAD1901.

RAD1901 was generally well tolerated. All TEAEs were of mild intensity, with some increase in frequency at the higher doses in the multiple dose group, most commonly gastrointestinal symptoms and headache. There were no serious adverse events observed.

Phase 2

A Phase 2 proof of concept study was conducted in 100 healthy postmenopausal women using 4 doses of RAD1901 (10, 25, 50 and 100 mg) and placebo. The primary study outcome was reduction in the frequency and severity of moderate and severe hot flashes. While a classic dose-response effect was not demonstrated, efficacy was determined to occur at the 10 mg dose level which achieved a statistically significant reduction in the frequency of

moderate and severe hot flashes both by linear trend test and by comparison to placebo and in overall (mild-moderate-severe) hot flashes at either the 2-, 3- or 4-week time-points. A similar reduction in composite score (frequency x severity) was identified at all time-points, with a statistically significant difference from placebo achieved at the 2-, 3- or 4-week time-points. Numerical reductions in mean severity and mean daily severity were observed, but did not reach statistical significance.

No serious adverse events were reported during the course of the study. Overall, 69% of patients had an adverse event, generally mild or moderate in severity, with some evidence of dose dependency, and events were most commonly gastrointestinal symptoms and headache. Three severe adverse events occurred, one in a placebo patient, and were not considered treatment related. Two patients discontinued treatment due to an adverse event, neither in relation to the 10 mg dose.

As discussed elsewhere in this Form 8-K, the FDA approval process is lengthy and expensive. Our current strategy is to collaborate with third parties for the further development and commercialization of RAD1901 so the date of FDA approved of RAD1901 cannot be predicted at this time. As a result of the uncertainties around the completion of a partnership arrangement for RAD1901 with third parties, we are unable to determine the duration and costs to complete current or future clinical stages of our RAD1901 product candidate or when, or to what extent, we will generate revenues from the commercialization and sale of RAD 1901. From January 1, 2009 through March 30, 2011, we have incurred $3.8 million in research and development costs related to RAD1901. Any failure by us to obtain, or any delay in obtaining, regulatory approvals for RAD1901 could significantly increase our need to raise additional working capital funds and materially adversely affect our product development efforts and our business overall. We can give no assurances that any additional capital that we are able to obtain will be sufficient to meet our needs. If we do not succeed in timely raising additional funds on acceptable terms, we may be unable to complete planned pre-clinical and clinical trials or obtain approval of any product candidates, including RAD1901 from the FDA and other regulatory authorities. In addition, we could be forced to discontinue product development, reduce or forego sales and marketing efforts and forego attractive business opportunities. Any additional sources of financing will likely involve the issuance of additional equity securities, which will have a dilutive effect on stockholders.

Manufacturing of RAD1901

RAD1901 API is manufactured for Radius on a contract basis by Irix Pharmaceuticals, Inc. The present GMP manufacture of RAD1901 comprises 9 synthetic steps from a non-GMP starting material. The current process of manufacture requires no chromatographic separations. RAD1901 is a chiral material present as essentially one enantiomer.

Patents related to RAD1901

RAD1901 as a composition of matter is covered by US patent 7,612,114 (normal expiry 2026 absent Hatch-Waxman extensions). A corresponding case has also been issued in Australia with related cases pending in Canada, India and Europe. A patent application covering methods of using RAD1901 for the treatment of hot flush has been filed in the US (published as US 2010/0105733A1), Europe and Canada and any claims issuing will have a normal expiry of 2027. In addition, a provisional dosage form application has been filed in the United States (US app# 61/334,095) and any claims that might issue from applications claiming priority to US app# 61/334,095 will have a normal expiry date no earlier than 2031.

Competition for RAD1901

The development and commercialization of new products to treat women' s health issues is highly competitive, and there will be considerable competition from major pharmaceutical, biotechnology and specialty pharmaceutical companies. Many of our competitors have substantially more resources than the Company, including both financial and technical. In addition, many of these companies have longer operating histories and more experience than us in preclinical and clinical development, manufacturing, regulatory, and global commercialization. See, "Risk Factors−If we cannot compete successfully for market share against other drug companies, we may not achieve sufficient product revenues and our business will suffer."

Potential competitors to Radius in relation to RAD1901 include, but are not limited to, Pfizer (NDA under review) and Depomed (Phase 3) who both have agents in more advanced stages of development than RAD1901. We believe that RAD1901 will be able to compete with other agents for the treatment of hot flashes because we expect it to have a similar efficacy and better safety profile than estrogen products, as well as a better efficacy and safety profile than non-estrogen products. We have no products approved for sale and therefore have no share of any therapeutic markets in which we hope to introduce RAD1901.

RAD140

Pharmacologic Characteristics of RAD140

RAD140 is a nonsteroidal, selective androgen receptor modulator that resulted from an internal drug discovery program that began in 2005. RAD140 has demonstrated potent anabolic activity on muscle and bone in preclinical studies and has completed 28-day preclinical toxicology studies in both rats and monkeys. Because of its high anabolic efficacy, receptor selectivity, potent oral activity and long duration half life, it is believed that RAD140 has clinical potential in a number of indications where the increase in lean muscle mass and/or bone density is beneficial such as treating the weight loss due to cancer cachexia, muscle frailty and osteoporosis.

As discussed elsewhere in this Form 8-K, the FDA approval process is lengthy and expensive. Our current strategy is to collaborate with third parties for the further development and commercialization of RAD140 so the date of FDA approval of RAD140 cannot be predicted at this time. As a result of the uncertainties around the completion of a partnership arrangement for RAD140 with third parties, we are unable to determine the duration and costs to complete current or future clinical stages of our RAD140 product candidate or when, or to what extent, we will generate revenues from the commercialization and sale of RAD140. From January 1, 2009 through March 30, 2011, we have incurred $2.4 million in research and development costs related to RAD140. Any failure by us to obtain, or any delay in obtaining, regulatory approvals for RAD140 could significantly increase our need to raise additional working capital funds and materially adversely affect our product development efforts and our business overall. We can give no assurances that any additional capital that we are able to obtain will be sufficient to meet our needs. If we do not succeed in timely raising additional funds on acceptable terms, we may be unable to complete planned pre-clinical and clinical trials or obtain approval of any product candidates, including RAD140 from the FDA and other regulatory

authorities. In addition, we could be forced to discontinue product development, reduce or forego sales and marketing efforts and forego attractive business opportunities. Any additional sources of financing will likely involve the issuance of additional equity securities, which will have a dilutive effect on stockholders.

Patents

RAD140 as a composition of matter and methods of using RAD140 is covered by pending patent applications in the US (e.g. US app#12/378,812)) and numerous additional countries worldwide. Any patents issued from these filings will have a normal expiry of 2029 absent any extensions.

Competition for RAD140

The development and commercialization of new products to treat women' s health issues is highly competitive, and there will be considerable competition from major pharmaceutical, biotechnology and specialty pharmaceutical companies. Many of our competitors have substantially more resources than the Company, including both financial and technical. In addition, many of these companies have longer operating histories and more experience than us in preclinical and clinical development, manufacturing, regulatory, and global commercialization. See, "Risk Factors−If we cannot compete successfully for market share against other drug companies, we may not achieve sufficient product revenues and our business will suffer."

Potential competitors to Radius in relation to RAD140 include, but are not limited to, GTx (Phase 3) and Ligand (Phase 1/2) who both have agents in more advanced stages of development than RAD140. We believe that RAD140 will be able to compete with other SARM agents because we expect it to have high potency to increase muscle and bone with a strong safety profile. We have no products approved for sale and therefore have no share of any therapeutic markets in which we hope to introduce RAD140.

Collaborations and License Agreements

Nordic Bioscience

We entered into a Letter of Intent with Nordic on September 3, 2010, pursuant to which we funded preparatory work by Nordic in respect of a Phase 3 clinical study of BA058 Injection. The Letter of Intent was extended on December 15, 2010 and on January 31, 2011. Pursuant to the Letter of Intent and the two extensions, we funded an aggregate $1,500,000 of preparatory work by Nordic during 2010 and funded and additional $750,000 of preparatory work by Nordic during 2011. On March 29, 2011, the Company and Nordic entered into a Clinical

Trial Services Agreement which superseded and subsumed the Letter of Intent and its two extensions, a Work Statement NB-1 under such Clinical Trial Services Agreement and a related Stock Issuance Agreement. Pursuant to Work Statement NB-1, Nordic is managing the Phase 3 clinical study of BA058 Injection and the Company is required to make various payments denominated in both euros and U.S. dollars over the course of the phase 3 study of total 33.9 million and $4.9 million. Pursuant to the Stock Issuance Agreement, Nordic agreed to purchase the equivalent of 371,864 of our Series A-5 Convertible Preferred Stock at a price per share equal to $8.142. Nordic purchased 64,430 shares of Series A-5 Preferred Stock on May 17, 2011 for proceeds of $525,154 to the Company. The Stock Issuance Agreement provides that Nordic will receive additional shares of equity having an aggregate value of up to 36.8 million, which shall initially be the Series A-6 Convertible Preferred Stock, at certain times during the performance of the Phase 3 clinical study that is the subject of Work Statement NB-1.

The Clinical Trial Services Agreement has a 5-year term unless it is sooner terminated. The Clinical Trial Services Agreement or any Work Statement may be terminated by mutual agreement of the parties at any time. Either party may also terminate any Work Statement upon a material breach by the other party with respect to such Work Statement unless such other party cures the alleged breach within the notice period specified in the Clinical Trial Services Agreement or if not capable of being cured within such period the party alleged to be in breach commences efforts to cure and makes diligently proceeds to cure. Termination of any Work Statement does not result in termination of the

Clinical Services Agreement or any other Work Statements, which remain in force until terminated. Either party may also terminate a Work Statement if force majeure conditions have prevented performance by the other party for more than a specified period of time. We may also terminate a Work Statement with notice to Nordic if authorization and approval to perform any clinical study that is the subject of such Work Statement is withdrawn by the FDA or other relevant health authorities or human or toxicological test results support termination of the clinical study relating to such Work Statement for reasons of safety or if the emergence of any adverse event or side effect in the clinical study relating to such Work Statement is of such magnitude or incidence in our opinion as to support termination. The Clinical Trial Services Agreement contains customary risk allocation clauses with each party indemnifying the other in respect of third party claims arising out of or resulting from: (i) the negligence or intentional misconduct of such party, its employees, agents or representatives in performing its obligations under the Clinical Services Agreement or any Work Statement; and (ii) any breach by such party of its representations and warranties under the Clinical Trial Services Agreement. We have agreed to indemnify Nordic in respect of third party claims for product liability or personal injury arising from or relating to our products or our use of any deliverables. In addition, we separately provide indemnification to the investigative sites performing services pursuant to Work Statement NB-1 in respect of third party claims of injury, illness or adverse side effects to a patient in the study that is the subject of Work Statement NB-1 that are attributable to the Radius study drug under indemnification letters with such investigative sites. The Clinical Services Agreement contains other customary clauses and terms as are common in similar agreements in the industry.

3M

In December 2008, we entered into a Feasibility Agreement with 3M whereby 3M assessed the feasibility of developing a BA058 microneedle patch product and supplying the product for preclinical studies in an animal model. Upon completion of the feasibility study, during June 2009, we entered into a Development and Clinical Supplies Agreement with 3M under which 3M is responsible to develop a BA058 microneedle patch product and manufacture clinical and toxicology supplies of such patch product for preclinical, Phase 1 and Phase 2 studies on an exclusive basis. Radius pays 3M for services delivered pursuant to the Development and Clinical Supplies Agreement on a fee for service or a fee for deliverable basis as specified in the Development and Clinical Supplies Agreement. The Feasibility Agreement expired on or around September 2009, Radius has paid 3M approximately $4,003,000 in respect of services and deliverables delivered pursuant to the Feasibility Agreement and the Development and Clinical Supplies Agreement.

The Development and Clinical Supplies Agreement remains in effect until the completion of the workplan that the parties are performing thereunder, unless it is sooner terminated. Either party may terminate the Development and Clinical Supplies Agreement upon a material breach by the other party unless such other party cures the alleged breach within the notice period specified in the Development and Clinical Supplies Agreement. We are permitted to terminate the Development and Clinical Supplies Agreement without cause by delivering notice to 3M a specified period before the termination date. We are also permitted to terminate within a specified period of time following a specified date with notice to 3M in the event that we have determined that the Phase 1 clinical study for the BA058 microneedle patch product needs to be repeated or that additional clinical data is required with respect thereto in order to initiate the Phase 2 clinical study for the BA058 microneedle patch product. The Development and Clinical Supplies Agreement contains customary risk allocation clauses with 3M indemnifying us in respect of third party claims arising from any personal injury to the extent that such claim results from 3M' s breach of warranty with respect to the BA058 Microneedle Patch meeting applicable specifications; and us indemnifying 3M in respect of third party claims arising with from our or our agent' s use, testing or clinical studies of the BA058 Microneedle Patch. The Development and Clinical Supplies Agreement contains other customary clauses and terms as are common in similar agreements in the industry.

Ipsen Pharma

In September 2005, we entered into a License Agreement with Ipsen under which we exclusively licensed certain Ipsen compound technology and related patents covering BA058 to research, develop, manufacture and commercialize certain compounds and related products in all countries, except Japan (where we do not hold commercialization rights) and France (where our commercialization rights are subject to certain co-marketing and co-promotion rights retained by Ipsen). Ipsen also granted us an exclusive right and license under the Ipsen compound technology and related patents to make and have made compounds or product in Japan. Ipsen also granted the Company an exclusive right and license under certain Ipsen formulation technology and related patents solely for purposes of enabling us to develop, manufacture and commercialize compounds and products covered by the compound technology license in all countries, except Japan (where we do not hold commercialization rights) and France (where our commercialization rights are subject to certain co-marketing and co-promotion rights retained by Ipsen). With respect to France, if Ipsen exercises its co-marketing and co-promotion rights then Ipsen may elect

to receive a percentage of the aggregate revenue from the sale of products by both parties in France (subject to a mid-double digit percentage cap) and Ipsen shall bear a corresponding percentage of the costs and expenses incurred by both parties with respect to such marketing and promotion efforts in France; Ipsen shall also pay Radius a mid-single digit royalty on Ipsen' s allocable portion of aggregate revenue from the sale of products by both parties in France. Specifically, we licensed US Patent No. 5,969,095, (effective filing date 3/29/1996, statutory term expires 3/29/2016) entitled "Analogs of Parathyroid Hormone", US Patent No. 6,544,949, (effective filing date 3/29/1996 statutory term expires 3/29/2016) entitled "Analogs of Parathyroid Hormone" and the corresponding foreign patents and continuing patent applications. In addition, we have has rights to joint Ipsen/Company intellectual property including rights to US7803770, (effective filing date 10/3/2007 statutory term expires 10/3/2027, plus 175 days of patent term adjustment due to delays in patent prosecution by the USPTO) and related patent applications both in the United States and worldwide (excluding Japan) that cover the method of treating osteoporosis using the phase 3 clinical dosage strength and form. As consideration for the rights to BA058 licensed to us by Ipsen, we paid Ipsen a non-refundable, non-creditable initial license fee of $250,000. The license agreement requires us to make payments to Ipsen upon the achievement of certain development milestones in the range of $750,000 and upon the achievement development, regulatory and commercial milestones in the range of 10,000,000 to 36,000,000, and we have at this time paid $750,000 in milestone payments and issued 17,326 shares of Series A-1 convertible preferred stock to Ipsen on May 17, 2011 in lieu of a 1,000,000 cash payment due to Ipsen upon initiation of the first BA058 Phase 3 clinical study. If we or our sublicensees commercialize a product that includes the compound licensed from Ipsen or any analog thereof, we will be obligated to pay to Ipsen a fixed 5% royalty based on net sales of the product on a country-by-country basis until the later of the last to expire of the licensed patents or for a period of 10 years from the first commercial sale in such country. The date of the last to expire of the licensed patents, barring any extension thereof, is expected to be 3/26/2028. In the event that we sublicense the rights licensed from Ipsen to a third party, the Company is obligated to pay Ipsen a percentage of certain payments received from such sublicensee (in lieu of milestone payments not achieved at the time of such sublicense). The applicable percentage is in the low double digit range. In addition, if we or our sublicensees commercialize a product that includes a compound discovered by us based on or derived from confidential Ipsen know-how, we will be obligated to pay to Ipsen a fixed low single digit royalty on net sales of such product on a country-by-country basis until the later of the last to expire of our patents that cover such product or for a period of 10 years after the first commercial sale of such product in such country. The license agreement expires on a country by country basis on the later of (i) date the last remaining valid claim in the licensed patents expires, in that country; or (ii) period of 10 years after the first commercial sale of the licensed products in such country unless it is sooner terminated. The license agreement may be terminated by us with prior notice to Ipsen at any time after the final study report Phase Ib has been delivered to Ipsen. The license agreement may be terminated by Ipsen upon notice to us with immediate effect, if Radius in any country of the world brings an action or proceeding seeking to have any Ipsen patent right declared invalid or unenforceable. The license agreement can also be terminated by Ipsen if we fail to use reasonable commercial efforts to develop the licensed product for sale and commercialization in those countries within the territory where it is commercially reasonable to do so as contemplated by the license agreement, or fail to use reasonable commercial efforts to perform our obligations under the latest revised version of the development plan approved by the joint steering commitee, or fail to use reasonable commercial efforts to launch and sell one licensed product in those countries within the territory where it is commercially reasonable to do so. Either party may also terminate the license agreement upon a material breach by the other party unless such other party cures the alleged breach within the notice period specified in the license agreement. Ipsen may terminate the license agreement in the event that the license agreement is assigned or sublicensed or in the event that a third party acquires us or in the event that we acquire control over a PTH or a PTHrP compound that is in clinical development or is commercially available in the territory and that, following such assignment, sublicense, acquisition, or acquisition of control by us, such assignee, sublicensee, acquirer or we fail to meet the timetable under the latest revised version of the development plan approved by the joint steering committee under the license agreement. Any failure to meet such timetable for purposes of such termination clause is deemed a material breach by us. The license agreement contains customary risk allocation clauses with each party indemnifying the other in respect of third party claims arising out of or resulting from: (i) the gross negligence or willful misconduct of such party, its affiliates, licensees, distributors or contractors; (ii) any breach by such party of its representations and warranties or any other provision of the license agreement or any related agreement; (iii) the manufacture on behalf of such party of any licensed product or compound; and (iv) (in the case of Ipsen) the use, development, handling or commercialization of any licensed compound, licensed product or the Ipsen formulation technology by or on behalf of Ipsen or any of its affiliates, licensees, distributors or contractors; and (v) (in the case of radius) the making, use, development, handling or commercialization of any licensed compound or any licensed product by or on our behalf or any of our affiliates, licensees or contractors. The license agreement contains other customary clauses and terms as are common in similar agreements in the industry. The license agreement was amended on September 12, 2007 and May 11, 2011.

In January 2006, we entered into a Pharmaceutical Development Agreement as contemplated by the License Agreement with Ipsen. The Pharmaceutical Development Agreement provides for the supply of quantities of licensed product for use in certain clinical trials.

Beaufour Ipsen Industrie SAS, a subsidiary of Ipsen, is responsible for the supply of BA058 Injection in liquid form in a multi-dose cartridge for use in a pen delivery device. The multi-dose cartridges are manufactured for Beaufour Ipsen Industrie SAS by Vetter under a separate agreement between those parties, and the BA058 API is manufactured by Lonza for Radius and is delivered to Vetter for vialing in the multi-dose cartridges. The Pharmaceutical Development Agreement expires upon the completion of the work plan entered into under the Pharmaceutical Development Agreement unless it is sooner terminated. The Pharmaceutical Development Agreement shall automatically terminate upon termination of the Ipsen license Agreement. Radius may terminate the Pharmaceutical Development Agreement at any time and for any reason with a specified prior notice period to Ipsen. Either party may terminate the Pharmaceutical Development Agreement upon a material breach by the other party with respect to the Pharmaceutical Development Agreement or the Ipsen License Agreement unless such other party cures the alleged breach within the notice period specified in the Development and Manufacturing Services Agreement. The Pharmaceutical Development Agreement contains other customary clauses and terms as are common in similar agreements in the industry. The Pharmaceutical Development Agreement was amended in July 2007, February 2009 and June 2010.

Eisai

In June 2006, we exclusively licensed the worldwide (except Japan) rights to research, develop, manufacture and commercialize RAD1901 and related products from Eisai. Specifically, we licensed the patent application that subsequently issued as US Patent No. 7612114, (effective filing date 12/25/2003, statutory term extended to 8/18/2026 with 967 days of patent term adjustment due to delays by the USPTO) entitled “Selective Estrogen Receptor Modulator”, the corresponding foreign patent applications and continuing patent applications. As consideration for the rights to RAD1901, we paid Eisai an initial license fee of $500,000. In connection with the License Agreement, we have agreed to pay Eisai certain fees in the range of $1,000,000 to $20,000,000 (inclusive of the $500,000 initial license fee), payable upon the achievement of certain clinical and regulatory milestones. Should a product covered by the licensed technology be commercialized, we will be obligated to pay to Eisai royalties in a variable mid-single digit range based on net sales of the product on a country-by-country basis until the later of the last to expire of the licensed patents or the expiration of data protection clauses covering such product in such country; the royalty rate shall then be subject to reduction and the royalty obligation will expire at such time as sales of lawful generic version of such product account for more than a specified minimum percentage of the total sales of all products that contain the licensed compound. The latest valid claim to expire, barring any extension thereof, is expected to be 8/18/2026. The Company also was granted the right to sublicense with prior written approval from Eisai, but subject to a right of first negotiation held by Eisai if we seek

to grant sublicenses limited to particular Asian countries. If we sublicense the licensed technology to a third party, we will be obligated to pay Eisai, in addition to the milestones referenced above, a fixed low double digit percentage of certain fees we receive from such sublicensee and royalties in a variable mid-single digit range based on net sales of the sublicense. The license agreement expires on a country by country basis on the later of (i) date the last remaining valid claim in the licensed patents expires, lapses or is invalidated in that country, the Product is not covered by data protection clauses, and the sales of lawful generic version of the Product account for more than a specified percentage of the total sales of all pharmaceutical products containing the licensed compound in that country; or (ii) period of 10 years after the first commercial sale of the licensed products in such country unless it is sooner terminated. The license agreement may be terminated by Radius with respect to the entire territory with prior notice to Eisai if we reasonably determine that the medical/scientific, technical, regulatory or commercial profile of the licensed product does not justify continued development or marketing. The license agreement can also be terminated by Eisai on a country by country basis at any time prior to the date on which we have filed for either a FDA NDA approval or a EMEA marketing approval with respect to a licensed product, upon prior written notice to Radius if Eisai makes a good faith determination that we have not used commercially reasonable efforts to develop the licensed product in the territory having reference to prevailing principles and time scales associated with the development, clinical testing and government approval of products of a like nature to such licensed product, unless such default is cured within the period specified in the license agreement or if not capable of being cured within such period we commence efforts to cure and make diligent efforts to do so. Either party may also terminate the license agreement upon a material breach by the other party unless such other party cures the alleged breach within the notice period specified in the license agreement. Either party may also terminate the license agreement upon the bankruptcy or insolvency of the other party. Eisai may also terminate the license agreement with prior notice if we are acquired by or to transfer all of our pharmaceutical business assets (or an essential part of such assets) or more than a specified percentage of our voting stock to any third party person or organization, or to otherwise come under the control of, such a person or organization, whether resulting from merger, acquisition, consolidation or otherwise in the event that Eisai reasonably determines that the

person or organization assuming control of us is not able to perform the license agreement with the same degree of skill and diligence that we would use, such determination being made with reference to the following criteria with respect to the person or organization assuming control of us: (1) whether such person or organization has the financial resources to assume our obligations with respect to development and commercialization of products; (2) whether such person or organization has personnel with skill and experience adequate to assume our obligations with respect to development and commercialization of products at the stage of development and commercialization as of the date of such change; and (3) whether such person or organization expressly assumes all obligations imposed on us by the license agreement and agrees to dedicate personnel and financial resources to the development and commercialization of the licensed product that are at least as great as those provided by us. Eisai shall further have the right to terminate if the acquiring person or organization (a) has any material and active litigations with Eisai; (b) is a certain type of pharmaceutical company; or (c) is a hostile takeover bidder against Radius which has not been approved by the Board of Directors of Radius as constituted immediately prior to such change of control. The license agreement contains customary risk allocation clauses with each party indemnifying the other in respect of third party claims arising out of or resulting from: (i) the negligence, reckless or intentional acts or omissions of such party, its affiliates, and licensees; (ii) any breach by such party of its representations and warranties; and (iii) any personal injury arising out of the labeling, packaging, package insert, other materials or promotional claims with respect to any licensed product by such party or its affiliates, licensees or distributors in the territory (in the case of Radius) or Japan (in the case of Eisai). The license agreement contains other customary clauses and terms as are common in similar agreements in the industry.

Lonza

In October 2007, we entered into Development and Manufacturing Services Agreement with LONZA. Radius and Lonza have entered into a series of Work Orders pursuant to the Development and Manufacturing Services Agreement pursuant to which Lonza has performed pharmaceutical development and manufacturing services for the our BA058 product. Radius pays Lonza for services rendered and deliverables delivered pursuant to these work orders on a fee for service basis as specified in the applicable work statement. The Development and Manufacturing Services Agreement will expire on April 4, 2013 unless it is sooner terminated, and is subject to renewal by us for successive multiple-year terms with notice to Lonza. The Development and Manufacturing Services Agreement or any Work Order may be terminated by either party upon a material breach by the other party with respect to the Development and Manufacturing Services Agreement unless such other party cures the alleged breach within the notice period specified in the Development and Manufacturing Services Agreement. Either party may also terminate a Work Order if force majeure conditions have prevented performance by the other party for more than a specified period of time with respect to such Work Order. Termination of any Work Order for force majeure shall not result in termination of the Development and Manufacturing Services Agreement or any other Work Orders, which shall remain in force until terminated. Either party may also terminate the Development and Manufacturing Services Agreement upon the bankruptcy or insolvency of the other party. We may also terminate the Development and Manufacturing Services Agreement or any Work Order with prior notice to Lonza for convenience. We may also terminate the Development and Manufacturing Services Agreement or any Work Order if we reasonably determine that Lonza is or will be unable to perform the applicable services in accordance with the agreed upon timeframe and budget set forth in the applicable Work Order, or if Lonza fails to obtain or maintain any material governmental licenses or approvals required in connection with such services. The Development and Manufacturing Services Agreement contains customary risk allocation clauses with each party indemnifying the other in respect of third party claims arising out of or resulting from: (i) the negligence or willful misconduct of such party, its affiliates and their respective officers, directors, employees and agents in performing its obligations under the Developing and Manufacturing Services Agreement; and (ii) any breach by such party of its representations and warranties under the Development and Manufacturing Services Agreement. We have agreed to indemnify Lonza in respect of third party claims arising from or relating to the use of our product.

Charles River Laboratories

In March 2004, we entered into a Laboratory Services and Confidentiality Agreement with Charles River Laboratories, Inc. (CRLI) and amended this agreement on November 7, 2008. Radius has entered into a series of letter agreements with CRLI pursuant to this Laboratory Services and Confidentiality Agreement, covering the performance of certain testing and analytical services concerning our product candidates. Radius pays CRLI for services rendered and deliverables delivered pursuant to these letter agreements on a fee for service basis. We are permitted to terminate any on-going Study under the Laboratory Services and Confidentiality Agreement at any time with the specified prior notice to CRLI and subject to the payment of applicable Study costs and fees. Either party may terminate the Laboratory Services and Confidentiality Agreement at any time with the specified prior notice to the other party and subject to the completion of any then on-going

Studies and the payment by us of any fees for such Studies. Either party may also terminate the Laboratory Services and Confidentiality Agreement upon a material breach by the other party unless such other party cures the alleged breach within the notice period specified in the Laboratory Services and Confidentiality Agreement. The Laboratory Services and Confidentiality Services Agreement contains customary risk allocation clauses with each party indemnifying the other in respect of third party claims arising out of or in connection with the negligence or willful misconduct of such party. Radius also indemnifies CRLI in respect of third party claims arising out of or in connection with (i) the manufacture, distribution, use, sales or other disposition by us, or any of our distributors, customers, sublicensees or representatives, of any of our products or processes and/or any other substances which are produced, purified, tested or vialed by CRLI. We also indemnify CRLI against any and all liability that may be incurred as the result of any contact by us or our employees with CRLI' s animals, tissues or specimens during visits to CRLI or after delivery of any samples/specimens to us. The Laboratory Services and Confidentiality Agreement contains other customary clauses and terms as are common in similar agreements in the industry. as specified in the applicable letter agreement.

Government Regulation

U.S. –FDA Process The research, development, testing, manufacture, labeling, promotion, advertising, distribution, and marketing, among other things, of our products are extensively regulated by governmental authorities in the United States and other countries. In the United States, the FDA regulates drugs under the Federal Food, Drug, and Cosmetic Act, or the "FDCA," and its implementing regulations. Failure to comply with the applicable U.S. requirements may subject us to administrative or judicial sanctions, such as FDA refusal to approve pending New Drug Applications, or NDAs, warning letters, product recalls, product seizures, total or partial suspension of production or distribution, injunctions, and/or criminal prosecution. We expect that BA058, RAD1901 and RAD140 will each be subject to review by the FDA as a drug under NDA standards though we currently only have an active IND in relation to BA058 in the United States.

Drug Approval Process. None of our drugs may be marketed in the U.S. until the drug has received FDA approval. The steps required before a drug may be marketed in the U.S. include:

- preclinical laboratory tests, animal studies, and formulation studies;
- submission to the FDA of an IND for human clinical testing, which must become effective before human clinical trials may begin;
- adequate and well-controlled human clinical trials to establish the safety and efficacy of the drug for each indication;
- submission to the FDA of an NDA;
- satisfactory completion of an FDA inspection of the manufacturing facility or facilities at which the drug is produced to assess compliance with current good manufacturing practices, or "cGMPs"; and
- FDA review and approval of the NDA.

Preclinical tests include laboratory evaluation of product chemistry, toxicity, and formulation, as well as animal studies. The conduct of the preclinical tests and formulation of the compounds for testing must comply with federal regulations and requirements. The results of the preclinical tests, together with manufacturing information and analytical data, are submitted to the FDA as part of an IND, which must become effective before human clinical trials may begin. An IND will automatically become effective 30 days after receipt by the FDA, unless before that time the FDA raises concerns or questions about issues such as the conduct of the trials as outlined in the IND. In such a case, the IND sponsor and the FDA must resolve any outstanding FDA concerns or questions before clinical trials can proceed. The Company cannot be sure that submission of an IND will result in the FDA allowing clinical trials to begin.

Clinical trials involve the administration of the investigational drug to human subjects under the supervision of qualified investigators. Clinical trials are conducted under protocols detailing the objectives of the study, the parameters to be used in monitoring safety, and the effectiveness criteria to be evaluated. Each protocol must be submitted to the FDA as part of the IND.

Clinical trials necessary for product approval are typically conducted in three sequential Phases, but the Phases may overlap. The study protocol and informed consent information for study subjects in clinical trials must also be approved by an Institutional Review Board

for each institution where the trials will be conducted. Study subjects must sign an informed consent form before participating in a clinical trial. Phase 1 usually involves the initial introduction of the investigational drug into people to evaluate its short-term safety, dosage tolerance, metabolism, pharmacokinetics and pharmacologic actions, and, if possible, to gain an early indication of its effectiveness. Phase 1 studies are usually conducted in healthy individuals and are not intended to treat disease or illness. However, Phase 1b studies are conducted in healthy volunteers or in patients diagnosed with the disease, or condition for which the study drug is intended, who demonstrate some biomarker, surrogate, or possibly clinical outcome that could be considered for "proof of concept." Proof of concept in a Phase 1b study typically confirms the hypothesis that the current prediction of biomarker, or outcome benefit is compatible with the mechanism of action. Phase 2 usually involves trials in a limited patient population to (i) evaluate dosage tolerance and appropriate dosage; (ii) identify possible adverse effects and safety risks; and (iii) evaluate preliminarily the efficacy of the drug for specific indications. Several different doses of the drug may be looked at in the Phase 2 to see which dose has the desired effects. Patients are monitored for side effects and for any improvement in their illness, symptoms, or both. Phase 3 trials usually further evaluate clinical efficacy and test further for safety by using the drug in its final form in an expanded patient population. A Phase 3 trial usually compares how well the study drug works compared with an inactive placebo and/or another approved medication. One group of patients may receive the drug being tested, while another group of patients may receive the comparator drug (already-approved drug for the disease being studied), or placebo. There can be no assurance that Phase 1, Phase 2, or Phase 3 testing will be completed successfully within any specified period of time, if at all. Furthermore, the Company or the FDA may suspend clinical trials at any time on various grounds, including a finding that the subjects or patients are being exposed to an unacceptable health risk.

The FDCA permits FDA and the IND sponsor to agree in writing on the design and size of clinical studies intended to form the primary basis of an effectiveness claim in an NDA. This process is known as Special Protocol Assessment or SPA. These agreements may not be changed after the clinical studies begin, except in limited circumstances.

Assuming successful completion of the required clinical testing, the results of the preclinical studies and of the clinical studies, together with other detailed information, including information on the manufacture and composition of the drug, are submitted to the FDA in the form of an NDA requesting approval to market the product for one or more indications. The testing and approval process requires substantial time, effort, and financial resources. The agencies review the application and may deem it to be inadequate to support the registration, and companies cannot be sure that any approval will be granted on a timely basis, if at all. The FDA may also refer the application to the appropriate advisory committee, typically a panel of clinicians, for review, evaluation and a recommendation as to whether the application should be approved. The FDA is not bound by the recommendations of the advisory committee.

The FDA has various programs, including fast track, priority review, and accelerated approval, that are intended to expedite or simplify the process for reviewing drugs, and/or provide for approval on the basis surrogate endpoints. Generally, drugs that may be eligible for one or more of these programs are those for serious or life-threatening conditions, those with the potential to address unmet medical needs, and those that provide meaningful benefit over existing treatments. A company cannot be sure that any of its drugs will qualify for any of these programs, or that, if a drug does qualify, that the review time will be reduced.

Before approving an NDA, the FDA usually will inspect the facility or the facilities at which the drug is manufactured and will not approve the product unless the manufacturing is in compliance with current good manufacturing practice, or cGMP. If the NDA and the manufacturing facilities are deemed acceptable by the Agency, the FDA may issue an approval letter, or in some cases, an approvable letter followed by an approval letter. Both letters usually contain a number of conditions that must be met in order to secure final approval of the NDA. When and if those conditions have been met to the FDA' s satisfaction, the FDA will issue an approval letter. The approval letter authorizes commercial marketing of the drug for specific indications. As a condition of NDA approval, the FDA may require post-marketing testing and surveillance to monitor the drug' s safety or efficacy, or impose other conditions.

After approval, certain changes to the approved product, such as adding new indications, making certain manufacturing changes, or making certain additional labeling claims, are subject to further FDA review and approval. Before a company can market products for additional indications, it must obtain additional approvals from FDA. Obtaining approval for a new indication generally requires that additional clinical studies be conducted. A company cannot be sure that any additional approval for new indications for any product candidate will be approved

on a timely basis, or at all.

Post-Approval Requirements. Often times, even after a drug has been approved by the FDA for sale, the FDA may require that certain post-approval requirements be satisfied, including the conduct of additional clinical studies. If such post-approval conditions are not satisfied, the FDA may withdraw its approval of the drug. In addition, holders of an approved NDA are required to: (i) report certain adverse reactions to the FDA, (ii) comply with certain requirements concerning advertising and promotional labeling for their products, and (iii) continue to have quality control and manufacturing procedures conform to cGMP after approval. The FDA periodically inspects the sponsor' s records related to safety reporting and/or manufacturing facilities; this latter effort includes assessment of ongoing compliance with cGMP. Accordingly, manufacturers must continue to expend time, money, and effort in the area of production and quality control to maintain cGMP compliance. We intend to use third party manufacturers to produce our products in clinical and commercial quantities, and future FDA inspections may identify compliance issues at the facilities of our contract manufacturers that may disrupt production or distribution, or require substantial resources to correct. In addition, discovery of problems with a product after approval may result in restrictions on a product, manufacturer, or holder of an approved NDA, including withdrawal of the product from the market.

Hatch-Waxman Act: Under the Drug Price Competition and Patent Term Restoration Act of 1984, also known as the Hatch-Waxman Act, Congress created an abbreviated FDA review process for generic versions of pioneer (brand name) drug products. In considering whether to approve such a generic drug product, the FDA requires that an Abbreviated New Drug Application, or ANDA, applicant demonstrate, among other things, that the proposed generic drug product' s active ingredient is the same as that of the reference product, that any impurities in the proposed product do not affect the product' s safety or effectiveness, and that its manufacturing processes and methods ensure the consistent potency and purity of its proposed product.

The Hatch-Waxman Act provides 5 years of data exclusivity for new chemical entities which prevents the FDA from accepting ANDAs and 505(b)(2) applications containing the protected active ingredient. We expect to be eligible for 5 years of data exclusivity following FDA approval of BA058 Injection.

The Hatch-Waxman Act also provides 3 years of exclusivity for applications containing the results of new clinical investigations (other than bioavailability studies) essential to the FDA' s approval of new uses of approved products, such as new indications, delivery mechanism, dosage forms, strengths, or conditions of use. For example, if BA058 Injection is approved for commercialization and we are successful in performing a clinical trial of the BA058 Microneedle Patch product that provides a new basis for approval, in this case, a different delivery mechanism, it is possible that we may become eligible for an additional 3-year period of data exclusivity only protects against the approval of ANDAs and 505(b)(2) applications for the protected use and will not prohibit the FDA from accepting or approving ANDAs or 505(b)(2) applications for other products containing the same active ingredient.

The Hatch-Waxman Act requires NDA applicants and NDA holders to provide certain information about patents related to the drug for listing in the FDA' s list of Approved Drug Products with Therapeutic Equivalence Evaluations (commonly known as the Orange Book). ANDA and 505(b)(2) applicants must then certify regarding each of the patents listed with the FDA for the reference product. A certification that a listed patent is invalid or will not be infringed by the marketing of the applicant' s product is called a "Paragraph IV certification." If the ANDA or 505(b)(2) applicant provides such a notification of patent invalidity or noninfringement, then the FDA may accept the ANDA or 505(b)(2) application beginning four years after approval of the NDA. If an ANDA or 505(b)(2) application containing a Paragraph IV certification is submitted to the FDA and accepted as a reviewable filing by the agency, the ANDA or 505(b)(2) applicant then must provide, within 20 days, notice to the NDA holder and patent owner stating that the application has been submitted and providing the factual and legal basis for the applicant' s opinion that the patent is invalid or not infringed. The NDA holder or patent owner then may file suit against the ANDA or 505(b)(2) applicant for patent infringement. If this is done within 45 days of receiving notice of the Paragraph IV certification, a one-time 30-month stay of the FDA' s ability to approve the ANDA or 505(b)(2) application is triggered. The 30-month stay begins at the end of the NDA holder' s data exclusivity period, or, if data exclusivity has expired, on the date that the patent holder is notified of the submission of the ANDA. The FDA may approve the proposed product before the expiration of the 30-month stay if a court finds the patent invalid or not infringed or if the court shortens the period because the parties have failed to cooperate in expediting the litigation.

EU–EMA Process

In the European Union, or the EU, medicinal products are authorized following a similar demanding process as that required in the U.S. Applications are based on the ICH Common Technical Document and must include a detailed plan for pediatric approval, if such approval is sought. Medicinal products must be authorized in one of two ways, either through the decentralized procedure or mutual recognition procedure by the competent authorities of the EU Member States, or through the centralized procedure by the European Commission following an opinion by the European Medicines Agency, or EMA. The authorization process is essentially the same irrespective of which route is used. In light of the fact that there is no policy at the EU level governing pricing and reimbursement, the 27 EU Member States each have developed their own, often varying, approaches. In many EU Member States, pricing negotiations must take place between the Marketing Authorization Holder and the competent national authorities before the product is sold in their market with Marketing Authorization Holders required to provide evidence demonstrating the pharmaco-economic superiority of their product in comparison with directly and indirectly competing products. We have reviewed our development program, proposed Phase 3 study design, and overall non-clinical and clinical data package to support future regulatory approval of the BA058 Injection with EMA but have not initiated any discussions with EMA with respect to seeking regulatory approval of our other products in Europe.

Good manufacturing practices. Like the FDA, the EMA, the competent authorities of the EU Member States and other regulatory agencies regulate and inspect equipment, facilities, and processes used in the manufacturing of pharmaceutical and biologic products prior to approving a product. If, after receiving clearance from regulatory agencies, a company makes a material change in manufacturing equipment, location, or process, additional regulatory review and approval may be required. Once we or our partners commercialize products, we will be required to comply with cGMP, and product-specific regulations enforced by, the European Commission, the EMA and the competent authorities of EU Member States following product approval. Also like the FDA, the EMA, the competent authorities of the EU Member States and other regulatory agencies also conduct regular, periodic visits to re-inspect equipment, facilities, and processes following the initial approval of a product. If, as a result of these inspections, it is determined that our or our partners' equipment, facilities, or processes do not comply with applicable regulations and conditions of product approval, regulatory agencies may seek civil, criminal, or administrative sanctions and/or remedies against us, including the suspension of our manufacturing operations or the withdrawal of our product from the market.

Other International Markets–Drug approval process

In some international markets (e.g., China or Japan), although data generated in U.S. or EU trials may be submitted in support of a marketing authorization application, additional clinical trials conducted in the host territory, or studying people of the ethnicity of the host territory, may be required prior to the filing or approval of marketing applications within the country.

Pricing and Reimbursement

In the U.S. and internationally, sales of products that we market in the future, and our ability to generate revenues on such sales, are dependent, in significant part, on the availability and level of reimbursement from third-party payors such as state and federal governments, managed care providers, and private insurance plans. Private insurers, such as health maintenance organizations and managed care providers, have implemented cost-cutting and reimbursement initiatives and likely will continue to do so in the future. These include establishing formularies that govern the drugs and biologics that will be offered and also the out-of-pocket obligations of member patients for such products. In addition, particularly in the U.S. and increasingly in other countries, we are required to provide discounts and pay rebates to state and federal governments and agencies in connection with purchases of our products that are reimbursed by such entities. It is possible that future legislation in the U.S. and other jurisdictions could be enacted which could potentially impact the reimbursement rates for the products we are developing and may develop in the future and also could further impact the levels of discounts and rebates paid to federal and state government entities. Any legislation that impacts these areas could impact, in a significant way, our ability to generate revenues from sales of products that, if successfully developed, we bring to market.

There is no legislation at the EU level governing the pricing and reimbursement of medicinal products in the EU. As a result, the competent authorities of each of the 27 EU Member States have adopted individual strategies regulating the pricing and reimbursement of medicinal products in their territory. These strategies often vary widely in nature, scope and application. However, a major element that they have in common is an increased move towards reduction in the reimbursement price of medicinal products, a reduction in the number and type of products selected for reimbursement and an increased preference for generic products over innovative products. These efforts have mostly been executed through these countries' existing price-control methodologies. The government of the UK, while continuing for now to utilize its established Pharmaceutical Pricing Reimbursement Scheme approach, has announced its intentions to phasing in, by 2014, a new value-based pricing approach, at least for new product introductions. Under this approach, in a complete departure from established methodologies, reimbursement levels of each drug will be explicitly based on an assessment of value, looking at the benefits for the patient, unmet need, therapeutic innovation, and benefit to society as a whole. It is increasingly common in many EU Member States for Marketing Authorization Holders to be required to demonstrate the pharmaco-economic superiority of their products as compared to products already subject to pricing and reimbursement in specific countries. In order for drugs to be evaluated positively under such criteria, pharmaceutical companies may need to re-examine, and consider altering, a number of traditional functions relating to the selection, study, and management of drugs, whether currently marketed, under development, or being evaluated as candidates for research and/or development.

Future legislation, including the current versions being considered at the federal level in the U.S. and at the national level in EU Member States, or regulatory actions implementing recent or future legislation may have a significant effect on our business. Our ability to successfully commercialize products depends in part on the extent to which reimbursement for the costs of our products and related treatments will be available in the U.S. and worldwide from government health administration authorities, private health insurers and other organizations. Substantial uncertainty exists as to the reimbursement status of newly approved health care products by third-party payors.

Sales and Marketing

The FDA regulates all advertising and promotion activities for products under its jurisdiction both prior to and after approval. A company can make only those claims relating to safety and efficacy that are approved by the FDA. Physicians may prescribe legally available drugs for uses that are not described in the drug' s labeling and that differ from those tested by us and approved by the FDA. Such off-label uses are common across medical specialties, and often reflect a physician' s belief that the off-label use is the best treatment for the patients. The FDA does not regulate the behavior of physicians in their choice of treatments, but FDA regulations do impose stringent restrictions on manufacturers' communications regarding off-label uses. Failure to comply with applicable FDA requirements may subject a company to adverse publicity, enforcement action by the FDA, corrective advertising, consent decrees and the full range of civil and criminal penalties available to the FDA.

We may also be subject to various federal and state laws pertaining to health care "fraud and abuse," including anti-kickback laws and false claims laws. Anti-kickback laws make it illegal for a prescription drug manufacturer to solicit, offer, receive, or pay any remuneration in exchange for, or to induce, the referral of business, including the purchase or prescription of a particular drug. Due to the breadth of the statutory provisions and the absence of guidance in the form of regulations and very few court decisions addressing industry practices, it is possible that our practices might be challenged under anti-kickback or similar laws. False claims laws prohibit anyone from knowingly and willingly presenting, or causing to be presented for payment to third-party payors (including Medicare and Medicaid) claims for reimbursed drugs or services that are false or fraudulent, claims for items or services not provided as claimed, or claims for medically unnecessary items or services. Our activities relating to the sale and marketing of our products may be subject to scrutiny under these laws. Violations of fraud and abuse laws may be punishable by criminal and/or civil sanctions, including fines and civil monetary penalties, the possibility of exclusion from federal health care programs (including Medicare and Medicaid) and corporate integrity agreements, which impose, among other things, rigorous operational and monitoring requirements on companies. Similar sanctions and penalties also can be imposed upon executive officers and employees, including criminal sanctions against executive officers under the so-called "responsible corporate officer" doctrine, even in situations where the executive officer did not intend to violate the law and was unaware of any wrongdoing. Given

the remedies that can be imposed on companies and individuals if convicted, allegations of such violations often result in settlements even if the company or individual being investigated admits no wrongdoing. Settlements often include significant civil sanctions, including fines and civil monetary penalties, and corporate integrity agreements. If the government were to allege or convict us or our executive officers of violating these laws, our business could be harmed. In addition, private individuals have the ability to bring similar actions. Our activities could be subject to challenge for the reasons discussed above and due to the broad scope of these laws and the increasing attention being given to them by law enforcement authorities. Further, there are an increasing number of state laws that require manufacturers to make reports to states on pricing and marketing information. Many of these laws contain ambiguities as to what is required to comply with the laws. Given the lack of clarity in laws and their implementation, our reporting actions could be subject to the penalty provisions of the pertinent state authorities.

Similar rigid restrictions are imposed on the promotion and marketing of medicinal products in the EU and other countries. Laws (including those governing promotion, marketing and anti-kickback provisions), industry regulations and professional codes of conduct often are strictly enforced. Even in those countries where we are not directly responsible for the promotion and marketing of our products, inappropriate activity by our international distribution partners can have implications for us.

Other Laws and Regulatory Processes

We are subject to a variety of financial disclosure and securities trading regulations as a public company in the U.S., including laws relating to the oversight activities of the Securities and Exchange Commission, or SEC, and, if any or our capital stock becomes listed on a national securities exchange, we will be subject to the regulations of such exchange on which our shares are traded. In addition, the Financial Accounting Standards Board, or FASB, the SEC, and other bodies that have jurisdiction over the form and content of our accounts, our financial statements and other public disclosure are constantly discussing and interpreting proposals and existing pronouncements designed to ensure that companies best display relevant and transparent information relating to their respective businesses.

Our international operations are subject to compliance with the Foreign Corrupt Practices Act, or the FCPA, which prohibits corporations and individuals from paying, offering to pay, or authorizing the payment of anything of value to any foreign government official, government staff member, political party, or political candidate in an attempt to obtain or retain business or to otherwise influence a person working in an official capacity. We also may be implicated under the FCPA for activities by our partners, collaborators, contract research organizations, or CROs, vendors or other agents.

Our present and future business has been and will continue to be subject to various other laws and regulations. Various laws, regulations and recommendations relating to safe working conditions, laboratory practices, the experimental use of animals, and the purchase, storage, movement, import and export and use and disposal of hazardous or potentially hazardous substances used in connection with our research work are or may be applicable to our activities. Certain agreements entered into by us involving exclusive license rights or acquisitions may be subject to national or supranational antitrust regulatory control, the effect of which cannot be predicted. The extent of government regulation, which might result from future legislation or administrative action, cannot accurately be predicted.

Intellectual Property

As of July 20, 2011, we owned 1 issued U.S. patent, as well as 10 pending U.S. patent applications and 28 pending foreign patent applications in Europe and 16 other jurisdictions. As of July 20, 2011, we had licenses to 9 U.S. patents 1 U.S. patent applications, as well as numerous foreign counterparts to many of these patents and patent applications. We licensed these patents and patent applications on an exclusive basis for all countries except Japan though our rights in France with respect to BA058 are subject to certain co-promotion and co-marketing rights held by Ipsen and our rights to sublicense in certain Asia Pacific countries in respect of RAD1901 are subject to a right of first refusal held by Esai, all as described herein in our discussion of our license agreements with Ipsen and Esai.

Employees

As of the date of this Report, we employed seven full-time employees and three part-time employees, four of whom held Ph.D. or M.D. degrees. Four of our employees were engaged in research and development activities and six were engaged in support administration,

including business development, and finance. In addition, we intend to use clinical research organizations and third parties to perform our clinical studies and manufacturing.

Properties

Our executive offices are located at 201 Broadway, 6th Floor, Cambridge, MA 02139. Our telephone number is (617) 551-4700. The office space is approximately 5,700 square feet, and the lease expires on July 30, 2011.

Legal Proceedings

We are not currently involved in any material legal proceedings.

RISK FACTORS

In addition to the other information set forth in this Current Report on Form 8-K, you should carefully consider the factors discussed below when considering an investment in our capital stock. These are risks and uncertainties that could cause actual results to differ materially from the results contemplated by the forward-looking statements contained in this Current Report on Form 8-K. Because of the following factors, as well as other variables affecting our operating results, past financial performance should not be considered as a reliable indicator of future performance and investors should not use historical trends to anticipate results or trends in future periods. These risks are not the only ones facing the Company. Please also see "CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS" on page 35 of this Current Report on Form 8-K.

Risks Related to Owning our Capital Stock

There is not now and never has been any market for our securities and an active market may never develop. You may therefore be unable to re-sell shares of our securities at times and prices that you believe are appropriate. There is no market - active or otherwise - for our Common Stock or our Preferred Stock and neither is eligible for listing or quotation on any securities exchange, automated quotation system (e.g., Nasdaq) or any other over-the-counter market, such as the OTC Bulletin Board® (the "OTCBB") or the Pink Sheets® (the "Pink Sheets"). Even if we are successful in obtaining approval to have our Common stock quoted on the OTCBB, it is unlikely that an active market for our Common Stock will develop any time soon thereafter. Accordingly, our Common Stock is highly illiquid. Because of this illiquidity, you will likely experience difficulty in re-selling such shares at times and prices that you may desire.

There is no assurance that our Common Stock will be listed on NASDAQ or any other securities exchange. We plan to seek listing of our Common Stock on Nasdaq or another national securities exchange or listed for quotation on the OTCBB, as soon as practicable. However, there is no assurance we will be able to meet the initial listing standards of either of those or any other stock exchange or automated quotation systems, or that we will be able to maintain a listing of our Common Stock on either of those or any other stock exchange or automated quotation system. We anticipate seeking a listing of our Common Stock on the OTCBB, the Pink Sheets or another over-the-counter quotation system, before our Common Stock is listed on the Nasdaq or a national securities exchange. An investor may find it more difficult to dispose of shares or obtain accurate quotations as to the market value of our Common Stock while our Common Stock is listed on the OTCBB. If our Common Stock is listed on the OTCBB, we would be subject to an SEC rule that, if it failed to meet the criteria set forth in such rule, imposes various practice requirements on broker-dealers who sell securities governed by the rule to persons other than established customers and accredited investors. Consequently, such rule may deter broker-dealers from recommending or selling our Common Stock, which may further limit its liquidity. This would also make it more difficult for us to raise additional capital.

Shares of our Capital Stock issued in the Merger will not be freely tradable under Securities Laws which will limit stockholders' ability to sell such shares of our Capital Stock. Shares of our Preferred Stock and our Common Stock to be issued as consideration in the Merger pursuant the Merger Agreement will be deemed "Restricted Securities" under the federal securities laws, and consequently such shares may not be resold without registration under the Securities Act of 1933, as amended (the "Securities Act"), or without an exemption

from the Securities Act. Further, Rule 144 covering resales of unregistered securities and promulgated under the Securities Act will not be available for resale of our capital stock unless or until one year following the date on which we file the information required by Form 10 as to the our business. In addition, all shares of our Preferred Stock issued in the Merger will be subject to a lock-up provision set forth in the applicable stockholders' agreement (for a description of the material terms of the lock-up provisions, see "Description of Capital Shares−Restrictions on Alienability" below). Each certificate evidencing shares of our capital stock to be issued pursuant to the Merger Agreement will bear a restrictive legend as to the nature of the restrictions on the transfer of such shares.

Because we became an operating company by means of a reverse merger, we may not be able to attract the attention of major brokerage firms. Additional risks may exist as a result of our becoming a public reporting operating company through a "reverse merger." Security analysts of major brokerage firms may not provide coverage of our capital stock or business. Because we became a public reporting operating company through a reverse merger, there is no incentive to brokerage firms to recommend the purchase of our Common Stock. No

assurance can be given that brokerage firms will want to provide analyst coverage of our capital stock or business in the future.

The resale of shares covered by a registration statement could adversely affect the market price of our Common Stock in the public market, should one develop, which result would in turn negatively affect our ability to raise additional equity capital. The sale, or availability for sale, of our Common Stock in the public market pursuant to a registration statement may adversely affect the prevailing market price of our Common Stock and may impair our ability to raise additional capital by selling equity or equity-linked securities. Once effective, a registration statement will register the resale of a significant number of shares of our Common Stock. The resale of a substantial number of shares of our Common Stock in the public market could adversely affect the market price for our Common Stock and make it more difficult for you to sell shares of our Common Stock at times and prices that you feel are appropriate. Furthermore, we expect that, because there will be a large number of shares registered pursuant to a registration statement, selling stockholders will continue to offer shares covered by such registration statement for a significant period of time, the precise duration of which cannot be predicted. Accordingly, the adverse market and price pressures resulting from an offering pursuant to a registration statement may continue for an extended period of time and continued negative pressure on the market price of our Common Stock could have a material adverse effect on our ability to raise additional equity capital.

We are or will be subject to Sarbanes-Oxley and the reporting requirements of federal securities laws, which can be expensive. As a public reporting company, we are subject to the Sarbanes-Oxley Act of 2002, as well as the information and reporting requirements of the Securities Exchange Act of 1934, as amended, and other federal securities laws. The costs of compliance with the Sarbanes-Oxley Act and of preparing and filing annual and quarterly reports, proxy statements and other information with the SEC, and furnishing audited reports to stockholders, will cause our expenses to be higher than they would be if we were privately held.

For so long as shares of our Preferred Stock remain outstanding, if we are sold in a transaction yielding less than the liquidation preference payable in the aggregate to holders of our outstanding Preferred Stock, holders of our Common Stock may not receive any proceeds from such transaction and may lose their investment entirely. As of May 20, 2011, we have 555,594 shares of Common Stock; 413,254 shares of Series A-1 Stock; 983,208 shares of Series A-2 Stock; 142,227 shares of Series A-3 Stock; 3,998 shares of Series A-4 Stock; 6,443 shares of Series A-5 Stock; and assumed warrants to acquire 818 shares of Series A-1 Stock. As more fully described herein and in our certificate of incorporation, shares of our Preferred Stock outstanding at the time of a sale or liquidation of the Company will have a right to receive proceeds, if any, from any such transactions, before any payments are made to holders of our Common Stock. In the event that there are not enough proceeds to satisfy the entire liquidation preference of our Preferred Stock, holders of our Common Stock will receive nothing in respect of their equity holdings in the Company.

Risks Related to our Business

We currently have no product revenues and will need to raise additional capital to operate our business. To date, we have generated no product revenues. Until, and unless, we receive approval from the U.S. Food and Drug Administration, or FDA, and other regulatory authorities for its product candidates, we cannot sell our drugs and will not have product revenues. Currently, our only product

candidates are BA058, RAD1901, and RAD140, and none of these products is approved by the FDA for sale. Therefore, for the foreseeable future, we will have to fund our operations and capital expenditures from cash on hand, licensing fees and grants and potentially, future offerings of our common or preferred stock. Currently, we believe that our cash on hand, which includes the $20.4 million in net proceeds received on May 17, 2011 from the first closing of the Series A-1 Financing, plus the proceeds of the two subsequent closings of the Series A-1 Financing which are available to us with no closing or other conditions, are sufficient to fund our operations through June 2012. However, changes may occur that would consume our available capital before that time, including changes in and progress of our development activities, acquisitions of additional candidates and changes in regulation.

We will need to seek additional sources of financing, which may not be available on favorable terms, if at all. Notwithstanding the expected completion of the subsequent two closings of the Series A-1 Financing, if we do not succeed in timely raising additional funds on acceptable terms, we may be unable to complete planned pre-

clinical and clinical trials or obtain approval of any product candidates from the FDA and other regulatory authorities. In addition, we could be forced to discontinue product development, reduce or forego sales and marketing efforts and forego attractive business opportunities. Any additional sources of financing will likely involve the issuance of additional equity securities, which will have a dilutive effect on stockholders.

We are not currently profitable and may never become profitable. *We* have a history of net losses and expect to incur substantial losses and negative operating cash flow for the foreseeable future, and may never achieve or maintain profitability. For the years ended December 31, 2010 and 2009, we had a net loss of $14.6 million and $15.1 million, respectively. As of March 31, 2011 we had an accumulated deficit of approximately $136.1 from the operations of target. Even if we succeed in developing and commercializing one or more product candidates, we expect to incur substantial losses for the foreseeable future and may never become profitable. We also expect to continue to incur significant operating and capital expenditures and anticipate that our expenses will increase substantially in the foreseeable future as we:

- continue to undertake pre-clinical development and clinical trials for product candidates;
- seek regulatory approvals for product candidates;
- implement additional internal systems and infrastructure; and
- hire additional personnel.

We also expect to experience negative cash flow for the foreseeable future as we fund our operating losses and capital expenditures. As a result, we will need to generate significant revenues in order to achieve and maintain profitability. We may not be able to generate these revenues or achieve profitability in the future. Our failure to achieve or maintain profitability could negatively impact the value of our securities.

We have a limited operating history upon which to base an investment decision. *We* are a development-stage company and have not demonstrated an ability to perform the functions necessary for the successful commercialization of any product candidates. The successful commercialization of any product candidates will require us to perform a variety of functions, including:

- continuing to undertake pre-clinical development and clinical trials;
- participating in regulatory approval processes;
- formulating and manufacturing products; and
- conducting sales and marketing activities.

Our operations have been limited to organizing and staffing our company, acquiring, developing and securing its proprietary technology and undertaking pre-clinical and clinical trials of our product candidates. These operations provide a limited basis for you to assess our ability to commercialize our product candidates and the advisability of investing further in our securities.

We are heavily dependent on the success of the BA058 Injection, which is still under clinical development. We cannot be certain that BA058 Injection will receive regulatory approval or be successfully commercialized even if we receive regulatory approval. BA058 Injection is our only product candidate in late stage development, and our business currently depends heavily on its successful development, regulatory approval and commercialization. We have no drug products for sale currently and may never be able to develop marketable drug products. The research, testing, manufacturing, labeling, approval, sale, marketing and distribution of drug products are subject to extensive regulation by the FDA and other regulatory authorities in the United States and other countries, which regulations differ from country to country. We are not permitted to market BA058 Injection in the United States until it receives approval of a New Drug Application or NDA from the FDA, or in any foreign countries until it receives the requisite approval from such countries. In addition, the approval of BA058

Microneedle Patch as a follow-on product is dependent on an earlier approval of BA058 Injection. We have not submitted an NDA to the FDA or comparable applications to other regulatory authorities. Obtaining approval of an NDA is an extensive, lengthy, expensive and uncertain process, and the FDA may delay, limit or deny approval of BA058 Injection for many reasons, including:

- we may not be able to demonstrate that BA058 is safe and effective as a treatment for osteoporosis to the satisfaction of the FDA;
- the results of its clinical studies may not meet the level of statistical or clinical significance required by the FDA for marketing approval;
- the FDA may disagree with the number, design, size, conduct or implementation of our clinical studies;
- the clinical research organization, or CRO, that we retain to conduct clinical studies may take actions outside of our control that materially adversely impact our clinical studies;
- the FDA may not find the data from preclinical studies and clinical studies sufficient to demonstrate that BA058' s clinical and other benefits outweigh its safety risks;
- the FDA may disagree with our interpretation of data from our preclinical studies and clinical studies or may require that we conduct additional studies;
- the FDA may not accept data generated at its clinical study sites;
- if our NDA is reviewed by an advisory committee, the FDA may have difficulties scheduling an advisory committee meeting in a timely manner or the advisory committee may recommend against approval of our application or may recommend that the FDA require, as a condition of approval, additional preclinical studies or clinical studies, limitations on approved labeling or distribution and use restrictions;
- the FDA may require development of a Risk Evaluation and Mitigation Strategy, or REMS, as a condition of approval;
- the FDA may identify deficiencies in the manufacturing processes or facilities of our third-party manufacturers; or

- the FDA may change its approval policies or adopt new regulations.

Before we submit an NDA to the FDA for BA058 as a treatment for osteoporosis, we must initiate and complete our pivotal Phase 3 study, a thorough QT study (a study designed to assess the potential arrhythmia liability of a drug by measuring the effect on the start to finish time of the ventricular main part of the cardiac contraction, also known as the QT interval), a renal safety study, an osteosarcoma study in rats, and bone quality studies in rats and monkey. We have not commenced all of these required studies and the results of these studies will have an important bearing on the approval of BA058. In addition to fracture and BMD, our pivotal Phase 3 study will measure a number of other potential safety indicators, including anti-BA058 antibodies which will have an important bearing on the approval of BA058. In addition, the results from the rat carcinogenicity study, which includes hPTH(1-34), a daily subcutaneous injection of recombinant human parathyroid hormone as a comparator, may show that BA058 dosing results in more osteosarcomas than PTH which may have a material adverse bearing on approval of BA058.

If we do not obtain the necessary U.S. or worldwide regulatory approvals to commercialize any product candidate, we will not be able to sell our product candidates. We cannot assure you that we will receive the approvals necessary to commercialize any of our product candidates (BA058, RAD1901, and RAD140), or any product candidate we acquire or develop in the future. We will need FDA approval to commercialize our product candidates in the U.S. and approvals from the FDA-equivalent regulatory authorities in foreign jurisdictions to commercialize our product candidates in those jurisdictions. In order to obtain FDA approval of any product candidate, we must submit to the FDA a New Drug Application, or NDA, demonstrating that the product candidate

is safe for humans and effective for its intended use. This demonstration requires significant research and animal tests, which are referred to as pre-clinical studies, as well as human tests, which are referred to as clinical trials. Satisfaction of the FDA' s regulatory requirements typically takes many years, depends upon the type, complexity and novelty of the product candidate and requires substantial resources for research, development and testing. We cannot predict whether our research and clinical approaches will result in drugs that the FDA considers safe for humans and effective for indicated uses. The FDA has substantial discretion in the drug approval process and may require us to conduct additional pre-clinical and clinical testing or to perform post-marketing studies. The approval process may also be delayed by changes in government regulation, future legislation or administrative action or changes in FDA policy that occur prior to or during its regulatory review. Delays in obtaining regulatory approvals may:

- delay commercialization of, and our ability to derive product revenues from, our product candidate;
- impose costly procedures on us; and
- diminish any competitive advantages that we may otherwise enjoy.

Even if we comply with all FDA requests, the FDA may ultimately reject one or more of our NDAs. We may never obtain regulatory clearance for any of our product candidates (BA058, RAD1901, and RAD140). Failure to obtain FDA approval of any of our product candidates will severely undermine our business by leaving us without a saleable product, and therefore without any source of revenues, until another product candidate can be developed. There is no guarantee that we will ever be able to develop or acquire another product candidate.

In foreign jurisdictions, we must receive approval from the appropriate regulatory authorities before we can commercialize any drugs. Foreign regulatory approval processes generally include all of the risks associated with the FDA approval procedures described above. We cannot assure you that we will receive the approvals necessary to commercialize our product candidates for sale outside the United States.

Most of our product candidates are in early stages of clinical trials. Except for BA058, each of our other product candidates (RAD1901 and RAD140), are in early stages of development and requires extensive pre-clinical and clinical testing. We cannot predict with any certainty if or when we might submit an NDA for regulatory approval for any of our product candidates or whether any such NDA will be accepted.

Clinical trials are very expensive, time-consuming and difficult to design and implement. Human clinical trials are very expensive and difficult to design and implement, in part because they are subject to rigorous regulatory requirements. A substantial portion of our BA058 development costs are denominated in euro and any adverse movement in the dollar/euro exchange rate will result in increased costs and require us to raise additional capital to complete the development of our products. The clinical trial process is also time consuming. We estimate that clinical trials of BA058 Injection will take at least three years to complete. Furthermore, failure can occur at any stage of the trials, and we could encounter problems that cause us to abandon or repeat clinical trials. The commencement and completion of clinical trials may be delayed by several factors, including:

- unforeseen safety issues;
- determination of dosing issues;
- lack of effectiveness during clinical trials;
- slower than expected rates of patient recruitment;
- inability to monitor patients adequately during or after treatment; and
- inability or unwillingness of medical investigators to follow our clinical protocols.

In addition, we or the FDA may suspend our clinical trials at any time if it appears that we are exposing participants to unacceptable health risks or if the FDA finds deficiencies in our Investigational New Drug, or IND, submissions or the conduct of these trials. Therefore, we cannot predict with any certainty the schedule for future clinical trials.

The results of our clinical trials may not support its product candidate claims. Even if our clinical trials are completed as planned, we cannot be certain that the results will support our product candidate claims. Success in pre-clinical testing and early clinical trials does not ensure that later clinical trials will be successful, and we cannot be sure that the results of later clinical trials will replicate the results of prior clinical trials and pre-clinical testing. Our Phase 3 study of BA058 Injection for fracture prevention may not replicate the positive efficacy results for BMD from our Phase 2 study. The clinical trial process may fail to demonstrate that our product candidates are safe for humans and effective for indicated uses. This failure would cause us to abandon a product candidate and may delay development of other product candidates. Any delay in, or termination of, our clinical trials will delay the filing of our NDAs with the FDA and, ultimately, our ability to commercialize our product candidates and generate product revenues. In addition, our clinical trials to date involve a small patient population. Because of the small sample size, the results of these clinical trials may not be indicative of future results.

Physicians and patients may not accept and use our drugs. Even if the FDA approves one or more of our product candidates, physicians and patients may not accept and use it. Acceptance and use of our product will depend upon a number of factors including:

- perceptions by members of the health care community, including physicians, about the safety and effectiveness of our drug;
- cost-effectiveness of our product relative to competing products;
- availability of reimbursement for our product from government or other healthcare payers; and
- effectiveness of marketing and distribution efforts by us and its licensees and distributors, if any.

Because we expect sales of our current product candidates, if approved, to generate substantially all of its product revenues for the foreseeable future, the failure of these drugs to find market acceptance would harm our business and could require us to seek additional financing.

Our drug-development program depends upon third-party researcher, investigators and collaborators who are outside our control. We depend upon independent researchers, investigators and collaborators, such as Nordic, to conduct our pre-clinical and clinical trials under agreements with us. These third parties are not our employees and we cannot control the amount or timing of resources that they devote to our programs. These third parties may not assign as great a priority to our programs or pursue them as diligently as we would if we were undertaking such programs ourselves. If outside collaborators fail to devote sufficient time and resources to our drug-development programs, or if their performance is substandard, the approval of our FDA applications, if any, and our introduction of new drugs, if any, will be delayed. These collaborators may also have relationships with other commercial entities, some of whom may compete with us. If our collaborators assist competitors at our expense, our competitive position would be harmed.

We will rely exclusively on third parties to formulate and manufacture our product candidate. We have no experience in drug formulation or manufacturing and do not intend to establish our own manufacturing facilities. We lack the resources and expertise to formulate or manufacture our own product candidates. We have entered into agreements with contract manufacturers to manufacture BA058 Injection for use in clinical trial activities. These contract manufacturers are currently our only source for the production and formulation of BA058. We currently do not have sufficient clinical supplies of BA058 to complete the planned Phase 3 study for BA058 Injection but believe that our contract manufacturers will be able to produce sufficient supply of BA058 to complete all of the planned BA058 clinical studies. However, if our contract manufacturers are unable to produce, in a timely manner,

adequate clinical supplies to meet the needs of our clinical studies, we would be required to seek new contract manufacturers that may require us to modify our finished product formulation and modify or terminate our clinical studies for BA058. Any modification of our finished product or modification or termination of our Phase 3 clinical study could adversely affect our ability to obtain necessary regulatory approvals and significantly delay or prevent the commercial launch of the product, which would materially harm our business and impair our ability to raise capital.

We depend on a number of single source contract manufacturers to supply key components of BA058. For instance, we depend on Lonza, which produces supplies of bulk drug product of BA058 to support the BA058 Injection and BA058 Microneedle Patch clinical studies and potential commercial launch. We also depend on Beaufort Ipsen Industrie SAS and its subcontractor Vetter, for the production of finished supplies of BA058 Injection and we depend on 3M for the production of BA058 Microneedle Patch. Because of our dependence on Vetter for the “fill and finish” part of the manufacturing process for BA058 Injection, we are subject to the risk that Vetter may not have the capacity from time to time to produce sufficient quantities of BA058 to meet the needs of our clinical studies or be able to scale to commercial production of BA058. Because the manufacturing process for BA058 Microneedle Patch requires the use of 3M’ s proprietary technology, 3M is our sole source for finished supplies of BA058 Microneedle Patch.

While we are currently in discussions, to date, neither we nor our collaborators have entered into a long-term agreement with Lonza, Vetter or 3M, who each currently produces BA058 product on a purchase order basis for us. Accordingly, Lonza, Vetter and 3M could terminate their relationship at any time and for any reason. If our relationship with any of these contract manufacturers is terminated, or if they are unable to produce BA058 in required quantities, on a timely basis or at all, our business and financial condition would be materially harmed. If any of our current product candidates or any product candidates we may develop or acquire in the future receive FDA approval, we will rely on one or more third-party contractors to manufacture its drugs. Our anticipated future reliance on a limited number of third-party manufacturers exposes we to the following risks:

- we may be unable to identify manufacturers on acceptable terms or at all because the number of potential manufacturers is limited and the FDA must approve any replacement contractor. This approval would require new testing and compliance inspections. In addition, a new manufacturer would have to be educated in, or develop substantially equivalent processes for, production of our products after receipt of FDA approval, if any.

- our third-party manufacturers might be unable to formulate and manufacture our drugs in the volume and of the quality required to meet our clinical needs and commercial needs, if any.

- our future contract manufacturers may not perform as agreed or may not remain in the contract manufacturing business for the time required to supply our clinical trials or to successfully produce, store and distribute its products.

- Drug manufacturers are subject to ongoing periodic unannounced inspection by the FDA, the Drug Enforcement Administration, and corresponding state agencies to ensure strict compliance with good manufacturing practice and other government regulations and corresponding foreign standards. We does not have control over third-party manufacturers' compliance with these regulations and standards.

- If any third-party manufacturer makes improvements in the manufacturing process for our products, we may not own, or may have to share, the intellectual property rights to the innovation.

Each of these risks could delay our clinical trials, the approval, if any, of our product candidates by the FDA or the commercialization of our product candidates or result in higher costs or deprive us of potential product revenues.

We have no experience selling, marketing or distributing products and no internal capability to do so. We currently have no sales, marketing or distribution capabilities. We do not anticipate having the resources in the foreseeable future to allocate to the sales and marketing of our proposed products. Our future success depends, in

part, on our ability to enter into and maintain collaborative relationships for such capabilities, the collaborator' s strategic interest in the products under development and such collaborator' s ability to successfully market and sell any such products. We intend to pursue collaborative arrangements regarding the sales and marketing of our products, however, there can be no assurance that we will be able to establish or maintain such collaborative arrangements, or if able to do so, that they will have effective sales forces. To the extent that we decides not to, or are unable to, enter into collaborative arrangements with respect to the sales and marketing of our proposed products, significant capital expenditures, management resources and time will be required to establish and develop an in-house marketing and sales force with technical expertise. There can also be no assurance that we will be able to establish or maintain relationships with third party collaborators or develop in-house sales and distribution capabilities. To the extent that we depend on third parties for marketing and distribution, any revenues we receives will depend upon the efforts of such third parties, and there can be no assurance that such efforts will be successful. In addition, there can also be no assurance that we will be able to market and sell our products in the United States or overseas.

If we cannot compete successfully for market share against other drug companies, we may not achieve sufficient product revenues and our business will suffer. The market for our product candidates is characterized by intense competition and rapid technological advances. If any of our product candidates receives FDA approval, it will compete with a number of existing and future drugs and therapies developed, manufactured and marketed by others. If we fail to develop BA058 Microneedle Patch, our commercial opportunity for BA058 will be limited. Existing or future competing products may provide greater therapeutic convenience or clinical or other benefits for a specific indication than our products, or may offer comparable performance at a lower cost. If our products fail to capture and maintain market share, we may not achieve sufficient product revenues and our business will suffer.

We will compete against fully integrated pharmaceutical companies and smaller companies that are collaborating with larger pharmaceutical companies, academic institutions, government agencies and other public and private research organizations. Many of these competitors have oncology compounds already approved or in development. In addition, many of these competitors, either alone or together with their collaborative partners, operate larger research and development programs or have substantially greater financial resources than we do as well as significantly greater experience in:

- developing drugs;

- undertaking pre-clinical testing and human clinical trials;
- obtaining FDA and other regulatory approvals of drugs;
- formulating and manufacturing drugs; and
- launching, marketing and selling drugs.

Developments by competitors may render our products or technologies obsolete or non-competitive. The biotechnology and pharmaceutical industries are intensely competitive and subject to rapid and significant technological change. Some of the drugs that we are attempting to develop, such as BA058, RAD1901 and RAD140 will have to compete with existing therapies. In addition, a large number of companies are pursuing the development of pharmaceuticals that target the same diseases and conditions that we are targeting. We face competition from pharmaceutical and biotechnology companies in the United States and abroad. In addition, companies pursuing different but related fields represent substantial competition. Many of these organizations competing with us have substantially greater capital resources, larger research and development staffs and facilities, longer drug development history in obtaining regulatory approvals and greater manufacturing and marketing capabilities than we do. These organizations also compete with us to attract qualified personnel and parties for acquisitions, joint ventures or other collaborations, and therefore, we may not be able to hire or retain qualified personnel to run all facets of our business.

If our efforts to protect our intellectual property related to BA058, RAD1901 and/or RAD140 fail to adequately protect these assets, we may suffer the loss of the ability to license or successfully commercialize one

or more of these candidates. Our commercial success is significantly dependent on intellectual property related to that product portfolio. We are either the licensee or assignee of numerous issued and pending patent applications that cover various aspects of our assets including BA058, RAD1901 and RAD140.

Patents covering BA058 as a composition of matter have been issued in the United States (US patent No. 5,969,095), Europe and several additional countries. Because the BA058 composition of matter case was filed in 1996, it is expected to have a normal expiry of approximately 2016 in the United States (this date does not include the possibility of Hatch-Waxman patent term extension of up to 5 years) and additional countries where it has issued.

We and Ipsen are also coassignees to US patent No. 7,803,770 that we believe provides exclusivity until 2027 in the United States (absent any extensions) for the method of treating osteoporosis with the intended therapeutic dose for BA058 Injection. Because patents are both highly technical and legal documents that are frequently subject to intense litigation pressure, there is risk that one or more of the issued patents that are believed to cover BA058 Injection when marketed will be found to be invalid, unenforceable and/or not infringed. In the absence of product exclusivity in the market, there is a high likelihood of multiple competitors selling the same product with a corresponding drop in pricing power and/or sales volume.

Currently, additional intellectual property covering the BA058 Microneedle Patch is the subject of a US provisional patent application with a priority date of 2011 and any issued claims resulting from this application will expire no earlier than 2031. However, pending patent applications in the United States and elsewhere may not issue since the interpretation of the legal requirements of patentability in view claimed inventions are not always predictable. Additional intellectual property covering the BA058 Microneedle Patch technology exists in the form of proprietary information contained by trade secrets. These can be accidentally disclosed to, independently derived by or misappropriated by competitors, possibly reducing or eliminating the exclusivity advantages of this form of intellectual property, thereby allowing those competitors more rapid entry into the market place with a competitive product thus reducing our marketing advantage of the BA058 Microneedle Patch. In addition, trade secrets may in some instances become publicly available required disclosures in regulatory files. Alternatively, competitors may sometimes reverse engineer a product once it becomes available on the market. Even where a competitor does not use an identical technology for the delivery of BA058, it is possible that they could achieve an equivalent or even superior

result using another technology. Such occurrences could lead to either one or more alternative competitor products available on the market and/or one or more generic competitor products on the market with a corresponding decrease in market share and/or price for the BA058 Microneedle Patch.

Patents covering RAD1901 as a composition of matter have been issued in the United States, Australia and is pending in Europe and several additional countries. The RAD1901 composition of matter patent in the United States expires in 2025 (not including any Hatch-Waxman extension). Additional patent applications relating to methods of treating vasomotor symptoms, clinical dosage strengths and combination treatment modalities all covering RAD1901 have been filed. Since patents are both highly technical and legal documents that are frequently subject to intense litigation pressure, there is risk that one or more of the issued patents that are believed to cover RAD1901 when marketed will be found to be invalid, unenforceable and/or not infringed when subject to said litigation. In the absence of product exclusivity in the market, there is a high likelihood of multiple competitors selling the same product with a corresponding drop in pricing power and/or sales volume. Pending patent applications in the United States and elsewhere may not issue since the interpretation of the legal requirements of patentability in view of any claimed invention before that patent office are not always predictable. As a result, we could encounter challenges or difficulties in building, maintaining and/or defending its intellectual property rights protecting and defending our intellectual property both in the United States and abroad.

Patent applications covering RAD140 and other SARM compounds that are part of the we SARM portfolio have been filed in the United States and elsewhere. Since the RAD140 composition of matter case was effectively filed in 2009, if issued, it is expected to have a normal expiry of approximately 2029 in the United States (this does not include the possibility of United States Patent and Trademark Office (USPTO) patent term adjustment or Hatch-Waxman extension) and additional countries if/when it issues. Since patents are both highly technical and legal documents that are frequently subject to intense litigation pressure, there is risk that even if one or more RAD140 patents does issue and is asserted that the patent(s) will be found invalid, unenforceable and/or not infringed when subject to said litigation. Finally, the intellectual

property laws and practices can vary considerably from one country to another and also can change with time. As a result, we could encounter challenges or difficulties in building, maintaining and/or defending its intellectual property rights protecting and defending our intellectual property both in the United States and abroad.

Payments, fees, submissions and various additional requirements must be met in order for pending patent applications to advance in prosecution and issued patents to be maintained. Rigorous compliance with these requirements is essential to procurement and maintenance of patents integral to the we product portfolio. Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on patents and/or applications will come due for payment periodically throughout the lifecycle of patent applications and issued patents. In order to help ensure that we complies with any required fee payment, documentary and/or procedural requirements as they might relate to any patents for which we is an assignee or co-assignee, we employs competent legal help and related professionals as needed to comply with those requirements. Our outside patent counsel uses Computer Packages, Inc. for patent annuity payments. Failure to meet a required fee payment, document production of procedural requirement can result in the abandonment of a pending patent application or the lapse of an issued patent. In some instances the defect can be cured through late compliance but there are situations where the failure to meet the required event cannot be cured. Such an occurrence could compromise the intellectual property protection around a preclinical or clinical candidate and possibly weaken or eliminate our ability to protect our eventual market share for that product.

If we infringe the rights of third parties we could be prevented from selling products, forced to pay damages, and defend against litigation. If our products, methods, processes and other technologies infringe the proprietary rights of other parties, we could incur substantial costs and may have to:

- obtain licenses, which may not be available on commercially reasonable terms, if at all;
- abandon an infringing drug candidate;

- redesign its products or processes to avoid infringement;
- stop using the subject matter claimed in the patents held by others;
- pay damages; or
- defend litigation or administrative proceedings which may be costly whether we win or lose, and which could result in a substantial diversion of its financial and management resources.

Our ability to generate product revenues will be diminished if our drugs sell for inadequate prices or patients are unable to obtain adequate levels of reimbursement. Our ability to commercialize our drugs, alone or with collaborators, will depend in part on the extent to which reimbursement will be available from:

- government and health administration authorities;
- private health maintenance organizations and health insurers; and
- other healthcare payers.

Significant uncertainty exists as to the reimbursement status of newly approved healthcare products. Healthcare payers, including Medicare, are challenging the prices charged for medical products and services. Government and other healthcare payers increasingly attempt to contain healthcare costs by limiting both coverage and the level of reimbursement for drugs. Even if one of our product candidates is approved by the FDA, insurance coverage may not be available, and reimbursement levels may be inadequate, to cover such drug. If government and other healthcare payers do not provide adequate coverage and reimbursement levels for one of our products, once approved, market acceptance of such product could be reduced.

We may not successfully manage our growth. Our success will depend upon the expansion of our

operations and the effective management of its growth, which will place a significant strain on our management and on administrative, operational and financial resources. To manage this growth, we may be required to expand our facilities, augment our operational, financial and management systems and hire and train additional qualified personnel. If we are unable to manage this growth effectively, our business would be harmed.

We may be exposed to liability claims associated with the use of hazardous materials and chemicals. Our research and development activities may involve the controlled use of hazardous materials and chemicals. Although we believe that our safety procedures for using, storing, handling and disposing of these materials comply with federal, state and local laws and regulations, we cannot completely eliminate the risk of accidental injury or contamination from these materials. In the event of such an accident, we could be held liable for any resulting damages and any liability could materially adversely affect its business, financial condition and results of operations. In addition, the federal, state and local laws and regulations governing the use, manufacture, storage, handling and disposal of hazardous or radioactive materials and waste products may require us to incur substantial compliance costs that could materially adversely affect its business, financial condition and results of operations.

We rely on key executive officers and scientific and medical advisors, and their knowledge of our business and technical expertise would be difficult to replace. We are highly dependent on its principal scientific, regulatory and medical advisors. We do not have "key person" life policies for any of our officers. The loss of the technical knowledge and management and industry expertise of any of our key personnel could result in delays in product development, loss of customers and sales and diversion of management resources, which could adversely affect our operating results.

If we are unable to hire additional qualified personnel, our ability to grow our business may be harmed. We will need to hire additional qualified personnel with expertise in pre-clinical testing, clinical research and testing, government regulation, formulation and manufacturing and sales and marketing. We compete for qualified individuals with numerous biopharmaceutical companies, universities and other research institutions. Competition for such individuals is intense, and we cannot be certain that our search for such personnel will be successful. Attracting and retaining qualified personnel will be critical to our success.

We may incur substantial liabilities and may be required to limit commercialization of our products in response to product liability lawsuits. The testing and marketing of medical products entail an inherent risk of product liability. If we cannot successfully defend our self against product liability claims, we may incur substantial liabilities or be required to limit commercialization of our products. Our 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 pharmaceutical products we develop, alone or with collaborators.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this prospectus that are forward-looking in nature are based on the current beliefs of our management as well as assumptions made by and information currently available to management, including statements related to the markets for our products, general trends in our operations or financial results, plans, expectations, estimates and beliefs. In addition, when used in this prospectus, the words "may," "could," "should," "anticipate," "believe," "estimate," "expect," "intend," "plan," "predict" and similar expressions and their variants, as they relate to us or our management, may identify forward-looking statements. These statements reflect our judgment as of the date of this prospectus with respect to future events, the outcome of which is subject to risks, which may have a significant impact on our business, operating results or financial condition. You are cautioned that these forward-looking statements are inherently uncertain. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results or outcomes may vary materially from those described herein. We undertake no obligation to update forward-looking statements. The risks identified under the heading "Risk Factors" in this prospectus, among others, may impact forward-looking statements contained in this prospectus.

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

The following is a discussion of the financial condition and results of operations of the Target (Radius Health, Inc.) prior to the Merger and the Short-Form Merger and should be read in conjunction with the financial statements and the notes to those statements filed with, and hereby incorporated into, this Current Report on Form 8-K as Exhibit 99.1. This discussion includes forward-looking statements that involve risk and uncertainties. As a result of many factors, such as those set forth under "Risk Factors" in this Current Report on Form 8-K, actual results may differ materially from those anticipated in these forward-looking statements. The share numbers and per share numbers in this MD&A assume the completion of Merger and Short-Form Merger. The historical Target financial statements and related notes do not assume the completion of the Merger.

Overview

We are a pharmaceutical company focused on acquiring and developing new therapeutics for the treatment of osteoporosis and other women' s health conditions. We have three product candidates in development, the most advanced is BA058 Injection that has begun dosing of patients in a pivotal Phase 3 clinical study for the prevention of fractures in women suffering from osteoporsis. We are also developing the BA058 Microneedle Patch, a short wear time, transdermal form of BA058 that is based on a microneedle technology from 3M that is currently being studied in a Phase 1b clinical study. We believe that the BA058 Microneedle Patch may eliminate the need for injections and lead to better treatment compliance for patients. Our second clinical stage product candidate is RAD1901 which has completed an initial Phase 2 clinical study for the treatment of vasomotor symptoms (hot flashes) in women entering menopause. Our third product candidate, RAD140, in pre-IND discovery, is a potential treatment for age-related muscle loss, frailty, weight loss associated with cancer cachexia and osteoporosis.

BA058 is a novel synthetic peptide analog of Parathyroid hormone-related peptide (hPTHrP) being developed by us as a bone anabolic treatment for osteoporosis. hPTHrP is a critical cytokine for the regulation of bone formation, able to rebuild bone with low associated risk of inducing hypercalcemia as a side-effect. In August 2009, we announced positive Phase 2 data that showed BA058 Injection produced faster and greater bone mineral density (BMD) increases at the spine and the hip after 6 months and 12 months of treatment than did Forteo®, which was a comparator in our study. Key findings were that the highest dose of BA058 tested of 80 µg increased mean lumbar spine BMD at 6 and 12 months by 6.7% and 12.9% compared to the increases seen with Forteo® trial arms of 5.5% and 8.6%, respectively. BA058 also produced increases in mean femoral neck BMD at the hip at 6 and 12 months of 3.1% and 4.1% compared to increases for Forteo® of 1.1% and 2.2%, respectively. We believe there to be a strong correlation between an increased level of BMD and a reduction in the risk of fracture for patients with osteoporosis. BA058 was generally safe and well tolerated in this study, with adverse events similar between the BA058, placebo and Forteo® groups. In addition, the occurrence of hypercalcemia as a side-effect was half that seen with Forteo® for the 80 µg dose of BA058. In April 2011, we began dosing of patients in a pivotal Phase 3 clinical study managed by Nordic and expect to report top-line data from this study in the first quarter of 2014. Our planned Phase 3 study will enroll a total of 2,400 patients to be randomized equally to receive daily doses of one of the following: 80 micrograms (µg) of BA058, a matching placebo, or the approved dose of 20 µg of Forteo® for 18 months. The study is powered to show that BA058 is superior to (i) placebo for fracture and (ii) Forteo® for greater BMD improvement at major skeletal sites and for a lower occurrence of hypercalcemia, a condition in which the calcium level in a patient' s blood is above normal.

In November 2005, we changed our name from Nuvios, Inc. to Radius Health, Inc. On May 17, 2011, the Merger and the Short-Form Merger were consummated whereby we, then a public shell company, was merged with the Target. Our efforts and resources are focused primarily on acquiring and developing BA058 and our other pharmaceutical product candidates, raising capital and recruiting personnel. We have no product sales to date and we will not receive any product sales until we receive approval for BA058 Injection from the FDA, or equivalent foreign regulatory bodies. However, developing pharmaceutical products is a lengthy and very expensive process. Assuming we do not encounter any unforeseen delays during the course of developing BA058, we do not expect to complete development and file for marketing approval in the United States for BA058 Injection and BA058 Microneedle Patch until approximately 2014 and 2016, respectively. Accordingly, our success depends not only on the safety and efficacy of BA058, but also on our ability to finance the development of these products, which will require substantial additional funding to complete development and file for marketing approval. Our ability to raise this additional financing will depend on our ability to execute on the BA058 development plan, complete patient enrollment in clinical studies in a timely fashion, manage and coordinate on a cost-effective basis all the required components of the BA058 Injection NDA package and scale-up the BA058 Microneedle Patch manufacturing capacity, as well as overall capital market conditions for development-stage companies. In addition, we currently have no sales, marketing or distribution capabilities and thus our ability to market BA058 will depend in part on our ability to enter into and maintain collaborative relationships for such capabilities, the collaborator' s strategic interest in the products under development and such collaborator' s ability to successfully market and sell any such products. Our ability to secure a collaborator for BA058 will depend on the strength of our clinical data. However, we believe that there are certain favorable trends that will interest third parties to collaborate on BA058 including, increasing prevalence of osteoporosis due to an increase in the elderly population in most developed countries, increased availability and reimbursement of diagnostic facilities, growing physician and patient awareness regarding the importance of treating osteoporosis, and concerns regarding the long term safety profiles of the bisphosphonates prompting physicians to be interested in new therapies for osteoporosis. We are also evaluating strategic alternatives with respect to collaborating with third parties for the future development of RAD1901 and RAD140. Our ability to further develop these product candidates will be dependent upon the outcome of our collaboration strategy.

Financial Overview

Research and Development Expenses

Research and development expenses consist primarily of salaries and related personnel costs, fees paid to consultants and outside service providers for regulatory and quality assurance support, licensing of drug compounds, and other expenses relating to the manufacture, development, testing and enhancement of our product candidates. We expense our research and development cost as they are incurred.

Our lead product candidate is BA058 and it represents the largest portion of our research and development expenses for our product candidates. BA058 is a novel synthetic peptide analog of hPTHrP being developed by as a treatment for osteoporosis in both injection and transdermal routes of administration. BA058 Injection is currently in a Phase 3 study and BA058 Microneedle Patch is in a Phase 1b study. Our other clinical stage program is RAD1901, a selective estrogen receptor modulator, or SERM, which has completed an initial Phase

2 clinical study for the treatment of vasomotor symptoms (hot flashes) in women entering menopause. A Phase 2 study is designed to test efficacy of a novel treatment and confirm the safety profile established in Phase 1 trial. Our third product candidate, RAD140 is a selective androgen receptor modular, or SARM, is in pre-IND development.

The following table sets forth our research and development expenses related to BA058 injection, BA058 Microneedle Patch, RAD1901 and RAD140 for the years ended December 31, 2009 and 2010 and the three months ended March 31, 2010 and 2011. No research and development expenses in relation to our product candidates are currently borne by third parties. We began tracking program expenses for BA058 Injection in 2005, and program expenses from inception to March 31, 2011 were approximately $29.3 million. We began tracking program expenses for BA058 Microneedle Patch in 2007, and program expenses from inception to March 31, 2011 were approximately $6.0 million. We began tracking program expenses for RAD1901 in 2006, and program expenses from inception to March 31, 2011 were approximately $15.3 million. We began tracking program expenses for RAD140 in 2008, and program expenses from inception to March 31, 2011 were approximately $5.1 million. These expenses relate primarily to external costs associated with manufacturing, preclinical studies and clinical trial costs.

Costs related to facilities, depreciation, share-based compensation and research and development support services are not directly charged to programs as they benefit multiple research programs that share resources.

	Year ended December 31,		Three Months ended March 31,	
	2009	2010	2010	2011
	(in thousands)			
BA058 Injection	$ 3,671	$ 4,664	$ 251	$ 2,977
BA058 Microneedle Patch	2,819	1,863	462	577
RAD1901	2,185	1,654	676	–
RAD140	2,031	313	157	20

The majority of our external costs are spent on BA058, as costs associated with later stage clinical trials are, in most cases, more significant than those incurred in earlier stages of our pipeline. In April 2011, we began dosing of patients in a pivotal Phase 3 clinical study of BA058 Injection for the treatment of osteoporosis. In addition, in December 2010, we initiated a Phase 1b clinical study for BA058 Microneedle Patch. We expect that future development costs related to the BA058 Injection and BA058 Microneedle Patch programs will increase significantly through possible marketing approval in the United States in 2015 and 2017. For the BA058 Injection future development costs may exceed $160,000,000 including $125,000,000 for clinical costs, $18,000,000 for license and milestone payments and NDA filing fees, $10,000,000 for preclinical costs and $7,000,000 for manufacturing costs. For the BA058 Microneedle Patch future development costs may exceed $50,000,000, including $28,000,000 for clinical costs, $18,000,000 for manufacturing costs, $4,000,000 for preclinical costs and NDA filing fees. We expect to finance these future development costs of BA058 with our existing cash and cash equivalents and with the additional proceeds from the second and third closings of the Series A-1 financing available and proceeds of $18,250,000 pursuant to a loan and security agreement. In addition, our current strategy is to collaborate with third parties for the further development and commercialization of RAD1901 and RAD140 so we do not expect that that Company will incur substantial future costs for these programs as these costs will be borne by third parties. Our ability to further develop these product candidates will be dependent upon our ability to secure a third party partner and it is not possible to project the future development costs for RAD1901 and RAD140 or possible marketing approval timeline at this time.

The successful development of the BA058 Injection and BA058 Microneedle Patch is subject to numerous risks and uncertainties associated with developing drugs, including the variables listed below. A change in the outcome of any of these variables with respect to the development of any of our product candidates could mean a significant change in the costs and timing associated with the development of that product candidate.

BA058 Injection is our only product candidate in late stage development, and our business currently depends heavily on its successful development, regulatory approval and commercialization. We have no drug products for sale currently and may never be able to develop marketable drug products. We have not submitted an NDA to the FDA or comparable applications to other regulatory authorities.

Obtaining approval of an NDA is an extensive, lengthy, expensive and uncertain process, and the FDA may delay, limit or deny approval of BA058 Injection for many reasons, including:

- we may not be able to demonstrate that BA058 is safe and effective as a treatment for osteoporosis to the satisfaction of the FDA;

- the results of its clinical studies may not meet the level of statistical or clinical significance required by the FDA for marketing approval;

- the FDA may disagree with the number, design, size, conduct or implementation of our clinical studies;

- the clinical research organization, or CRO, that we retain to conduct clinical studies may take actions outside of our control that materially adversely impact our clinical studies or we could experience significant delays in enrollment in any of our clinical trials;

- the FDA may not find the data from preclinical studies and clinical studies sufficient to demonstrate that BA058' s clinical and other benefits outweigh its safety risks;

- the FDA may disagree with our interpretation of data from our preclinical studies and clinical studies or may require that we conduct additional studies;

- the FDA may not accept data generated at its clinical study sites;

- if our NDA is reviewed by an advisory committee, the FDA may have difficulties scheduling an advisory committee meeting in a timely manner or the advisory committee may recommend against approval of our application or may recommend that the FDA require, as a condition of approval, additional preclinical studies or clinical studies, limitations on approved labeling or distribution and use restrictions;

- the FDA may require development of a Risk Evaluation and Mitigation Strategy, or REMS, as a condition of approval;

- the FDA may identify deficiencies in the manufacturing processes or facilities of our

third-party manufacturers;

- the FDA may change its approval policies or adopt new regulations.

We are unable to determine the duration and costs to be incurred by the Company to continue to development of RAD1901 and RAD140 until such time as we are able to secure a third party partner to collaborate on the further development and commercialization of these products. We anticipate that we will make determinations as to which additional programs to pursue and how much funding to direct to each program on an ongoing basis in response to the scientific and clinical data of each product candidate, progress on securing a third party partner as well as ongoing assessments of such product candidate' s commercial potential and our ability to fund such product development. If we are unable to continue to fund the development of RAD1901 or RAD140 and are unable to secure a third party partner for these product candidates, our business will be adversely affected and we will depend solely on the successful development, regulatory approval and commercialization of the BA058 Injection and BA058 Microneedle Patch.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries and related expense for executive, finance and other administrative personnel, professional fees, business insurance, rent, general legal activities, and other corporate expenses. We expect our general and administrative expenses to increase as a result of higher costs associated with being a public company.

Our results include non-cash compensation expense as a result of the issuance of stock and stock option grants. Compensation expense for options granted to employees and directors (excluding directors who are also scientific advisory board member or consultants) represent the difference between the fair value of our common stock and the exercise price of the options at the date of grant. Compensation for options granted to consultants has been determined based upon the fair value of the equity instruments issued and the unvested portion of such option grants is re-measured at each reporting period. The stock-based compensation expense is included in the respective categories of expense in the statement of operations (research and development and general and administrative expenses). We expect to record additional non-cash compensation expense in the future, which may be significant.

Interest Income and Interest Expense

Interest income reflects interest earned on our cash, cash equivalents and marketable securities.

Interest expense reflects interest due on a Loan and Security Agreement under which we made the final payment in 2009, and interest due on a second Loan and Security Agreement which we entered into on May 23, 2011.

Accretion of Preferred Stock

Accretion of preferred stock reflects the periodic accretions of issuance costs, dividends and the investor rights/obligations on Target' s Series B and C redeemable convertible preferred stock and accretion and dividends on the Target' s Series A-1, A-2, and A-3 convertible stock.

Critical Accounting Policies and Estimates

The preparation of our financial statement requires us to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and expenses during the reported periods. We believe the following accounting policies are "critical" because they require us to make judgments and estimates about matters that are uncertain at the time we make the estimate, and different estimates, which would have been reasonable could have been used, which would have resulted in different financial results.

Accrued Clinical Expenses

As part of the process of preparing our financial statements, we are required to estimate our accrued

expenses. This process involves reviewing open contracts and purchase orders, communicating with our personnel to identify services that have been performed on our behalf and estimating the level of service performed and the associated cost incurred for the service when we have not yet been invoiced or otherwise notified of actual cost. Payments under some of the contracts we have with parties depend on factors, such as the milestones accomplished, successful enrollment of certain numbers of patients, site initiation and the completion of clinical trial milestones. Examples of estimated accrued clinical expenses include:

- fees paid to investigative sites and laboratories in connection with clinical studies;
- fees paid to CROs in connection with clinical studies, if CROs are used; and
- fees paid to contract manufacturers in connection with the production of clinical study materials.

In accruing clinical expenses, we estimate the time period over which services will be performed and the level of effort to be expended in each period. If possible, we obtain information regarding unbilled services directly from these service providers. However, we

may be required to estimate the cost of these services based on information available to us. If we underestimate or overestimate the cost associated with a trial or service at a given point in time, adjustments to research and development expenses may be necessary in future periods. Historically, our estimated accrued clinical expenses have approximated actual expense incurred. Subsequent changes in estimates may result in a material change in our accruals.

Research and Development Expenses

We account for research and development costs by expensing such costs to operations as incurred. Research and development costs primarily consist of personnel costs, outsourced research activities, laboratory supplies, and license fees.

Nonrefundable advance payments for goods or services to be received in the future for use in research and development activities are deferred and capitalized. The capitalized amounts will be expensed as the related goods are delivered or the services are performed. If expectations change such that we do not expect we will need the goods to be delivered or the services to be rendered, capitalized nonrefundable advance payments would be charged to expense.

Stock-based Compensation

We recognize the compensation cost of employee stock-based awards using the straight-line method over the requisite service period of the award, which is typically the vesting period. During both the years ended December 31, 2009 and 2010 and the three months ended March 31, 2011 and 2010, we recorded approximately $100,000, $100,000, $22,000 and $33,000 of employee stock-based compensation expense. We estimate the fair value of each option award using the Black-Scholes-Merton option-pricing model.

In calculating the estimated fair value of our stock options, the Black-Scholes-Merton option-pricing model requires the consideration of the following six variables for purposes of estimating fair value:

- The stock option exercise price,
- The expected term of the option,
- The grant date price of the Company' s common stock, which is issuable upon exercise of the option,
- The expected volatility of the Company' s common stock,
- The expected dividends on the Company' s common stock, and
- The risk-free rate for the expected option term.

The expected term of the stock options granted represents the period of time that options granted are expected to be outstanding. For options granted prior to January 1, 2008, the expected term was calculated using the "simplified" method as prescribed by the SEC' s Staff Accounting Bulletin No. 107, Share-Based Payment. For options granted after January 1, 2008, we calculated the expected term using similar assumptions. The expected volatility is a measure of the amount by our stock price is expected to fluctuate during the term of the options

granted. We determine the expected volatility based on a review of the historical volatility of similar publicly held companies in the biotechnology field over a period commensurate with the option' s expected term. We have never declared or paid any cash dividends on our common stock and we do not expect to do so in the foreseeable future. Accordingly, we use an expected dividend yield of zero. The risk-free interest rate is the implied yield available on U.S. Treasury issues with a remaining life consistent with the option' s expected term on the date of grant. We apply an estimated forfeiture rate to current period expense to recognize compensation expense only for those awards expected to vest. We estimate forfeitures based upon historical data, adjusted for known trends, and will adjust the estimate of forfeitures if actual forfeitures differ or are expected to differ from such estimates. Subsequent changes in estimated forfeitures are recognized through a cumulative adjustment in the period of change and also will impact the amount of stock-based compensation expense in future periods. The forfeiture rate was estimated to be 2.8% and 2.4% for the years ended December 31, 2010 and 2009, respectively.

The following table presents the grant dates and related exercise prices of stock options granted from January 1, 2009 to May 11, 2011:

Date of Issuance	Nature of Issuance	Number of Shares	Exercise or Purchase Price per Share	Per Share Estimated Fair Value of Common Stock (1)	Per Share Weighted Average Estimated Fair Value of Options (2)
April 9, 2009	Option grant	9,666	$ 1.20	$ 1.20	$ 0.70
December 2, 2009	Option grant	5,000	$ 1.20	$ 1.20	$ 0.68
October 12, 2010	Option grant	256,666	$ 1.35	$ 1.35	$ 0.76
November 30, 2010	Option grant	1,666	$ 1.35	$ 1.35	$ 0.76

(1) The per share estimated fair value of common stock represents the determination by our board of directors of the fair value of our common stock as of the date of grant, taking into account various objective and subjective factors and including the results, if applicable, of valuations of our common stock as discussed in the pages that follow.

(2) Our estimate of the per share weighted average fair value for stock option grants was computed based upon the Black-Scholes option-pricing model with the assumptions through December 31,2010 as disclosed in our financial statements.

We have historically granted stock options at exercise prices not less than the fair value of our common stock as determined by our board of directors, with input from management. Our board of directors has historically determined, with input from management, the estimated fair value of our common stock on the date of grant based on a number of objective and subjective factors, including:

- the prices at which we sold shares of convertible preferred stock;
- the superior rights and preferences of securities senior to our common stock at the time of each grant;
- the likelihood of achieving a liquidity event such as an initial public offering or sale of our company;
- our historical operating and financial performance and the status of our research and product development efforts; and
- achievement of enterprise milestones, including our entering into collaboration and license agreements;

Our board of directors also considered valuations provided by management in determining the fair value of our common stock. Such valuations were prepared as of December 3, 2008, December 2, 2009 and October 1, 2010, and valued our common stock at $1.05, $1.20 and $1.35 per share, respectively. The valuations have been used to estimate the fair value of our common stock as of each option grant date listed and in calculating stock-based compensation expense. Our board of directors has consistently used the most recent valuation provided by management for determining the fair value of our common stock unless a specific event occurs that necessitates an interim valuation.

The valuations were based on the guidance from the Valuation of Privately-Held-Company Equity Securities Issued as Compensation that was developed by staff of the American Institute of Certified Public

Accountants and a task force comprising representatives from the appraisal, preparer, public accounting, venture capital, and academic communities. The Option-pricing method was selected to value Radius' common stock-based on the Company' s stage of development and the degree of uncertainty surrounding the future success of clinical trials for our Company' s product candidates. For the valuations prepared

as of December 3, 2008, December 2, 2009 and October 1, 2010, the option-pricing method treats common stock and preferred stock as call options on the enterprise' s value, with exercise prices based on the liquidation preference of the preferred stock. Under this method, the common stock has value only if the funds available for distribution to shareholders exceed the value of the liquidation preference at the time of a liquidity event (for example, merger of sale), assuming the enterprise has funds available to make a liquidation preference meaningful and collectible by the shareholders.

In the model, the exercise price is based on a comparison with the enterprise value rather than, as in the case of a "regular" call option, a comparison with a per-share stock price. Thus, common stock is considered to be a call option with a claim on the enterprise at an exercise price equal to the remaining value immediately after the preferred stock is liquidated. We used the Black-Scholes model to price the call option. Under the option-pricing method we had to consider the various terms of the stockholder agreements -including the level of seniority among the securities, dividend policy, conversion ratios, and cash allocations -upon liquidation of the enterprise

Results of Operations

The following discussion summarizes the key factors our management believes are necessary for an understanding of our financial statements.

	Years ended December 31,		Three Months ended March 31,	
	2009	2010	2010	2011
	(in thousands)			
Revenue:				
Option Fee	$ 1,616	$ –	$ –	$ –
Operating expenses:				
Research and development	14,519	11,692	2,491	4,137
General and administrative	2,668	3,630	644	897
Restructuring	–	217	–	–
Loss from operations	(15,571)	(15,539)	(3,135)	(5,034)
Other income (expense):				
Other income	–	883	–	10
Other (expense)	(7)	(59)	–	–
Interest income	489	85	27	14
Net loss	(15,089)	(14,630)	(3,108)	(5,010)
Accretion of preferred stock	(11,405)	(12,143)	(3,046)	(2,876)
Net loss attributable to common stockholders	$ (29,494)	$ (26,773)	$ (6,154)	$ (7,886)

Three months Ended March 31, 2011 and 2010

Revenue: There was no revenue for the three months ended March 31, 2011 or March 31, 2010.

	Three months Ended March 31,		Change	
	2010	2011	$	%
	(dollars in thousands)			
Operating expenses:				
Research and development	$ 2,491	$ 4,137	$ 1,646	66%
General and administrative	644	897	253	39%
Total operating expenses	$ 3,135	5,034	1,899	61

Research and development expenses: For the three months ended March 31, 2011, research and development expense was $4,137,000 compared to $2,491,000 for the three months ended March 31, 2010, an increase of $1,646,000 and 66%. For the three months ended March 31, 2011, we incurred professional contract services associated with the development of BA058 Injection of $2,977,000 compared to $251,000 for the three months ended March 31, 2010. The increase was primarily the result of expenses incurred to initiate our Phase 3 study. These expenses included payments of approximately $2,503,000 to Nordic for upfront Phase 3 study expenses, as well as a $600,000 payment for materials required for the study. We expect this higher level of BA058 Injection expenses to be maintained or increase over the course of the Phase 3 study. However, there will be variability from quarter to quarter driven primarily by the rate of patient enrollment, the euro/dollar exchange rate, and the fluctuations in the value of Radius stock issued to Nordic under the Stock Issuance Agreement. Additionally, we incurred $113,000 more in contract services associated with the development of BA058 Microneedle Patch. Offsetting these increases, we spent $ 131,000 less on miscellaneous supplies and services related to RAD140, and $676,000 less for professional contract services associated with the development of RAD1901 in the three months ended March 31, 2011 compared to the three months ended March 31, 2010. We also had reductions in facilities and outside services expensed of approximately $378,000 for the three months ended March 31, 2011 compared to the three months ended March 31, 2010. These reductions were attributable to the closure of our lab in September of 2010.

General and administrative expenses: For the three months ended March 31, 2011, general and administrative expense was $897,000 compared to $644,000 for the three months ended March 31, 2010, an increase of $253,000 and 39%. The increase is primarily the result of increased legal and accounting costs.

Years ended December 31, 2010 and 2009

Revenue: For the year ended December 31, 2010, revenue was $0 compared to $1,616,000 for the year ended December 31, 2009. The revenue in 2009 relates solely to an option agreement signed with Novartis in 2007 pursuant to which Novartis obtained an option to license the exclusive worldwide rights (except Japan) to all formulations of BA058. Revenue was recognized ratably over the option period based on criteria specified in the agreement. The period of option exclusivity expired in 2009 without exercise by Novartis.

	Years Ended December 31,		Change	
	2009	2010	$	%
	(dollars in thousands)			
Operating expenses:				
Research and development	$ 14,519	$ 11,692	$ (2,827)	(24)%
General and administrative	2,668	3,630	962	36%
Restructuring	–	217	217	
Total operating expenses	$ 17,187	$ 15,539	$ (1,548)	(9)%

Research and development expenses: For the year ended December 31, 2010, research and development expense was $11,692,000 compared to $14,519,000 for the year ended December 31, 2009, a decrease of $2,827,000 and 24%. For the year ended December 31, 2010, we incurred professional contract services associated with the development of BA058 Injection of approximately $ 4,664,000 compared to approximately $3,671,000 for the year ended December 31, 2009. The increase is attributable to a $1,000,000 up-front payment to Nordic for Phase 3 study expenses. Offsetting these increases, we incurred $956,000 less in contract services associated with the development of BA058 Microneedle Patch. The decrease was mainly the result of completion of the feasibility agreement with 3M for the Microneedle Patch in 2009. Additionally, we spent $1,717,000 less on RAD140 and $531,000 less on RAD1901 for professional contract services in the year ended December 31, 2010 compared to the year ended December 31, 2009 as we evaluate strategic options of the further development of these programs. Lastly, we experienced reductions in stock-based and other compensation of approximately $125,000, professional fees of approximately $234,000, and facility

and other miscellaneous costs of approximately $256,000, for the year ended December 30, 2010 compared to the year ended December 31, 2009. The reduction in compensation was the result of the achievement of certain milestones that generated higher stock-based compensation in 2009. The reduction in professional fees, facilities, and miscellaneous other costs was related to the curtailment in costs for the RAD140 and RAD1901 programs.

General and administrative expenses: For the year ended December 31, 2010, general and administrative expense was $3,630,000 compared to $2,668,000 for the year ended December 31, 2009, an increase of approximately $962,000 and 36%. The increase was attributable to an increase in compensation of approximately $279,000 and professional fees of approximately $715,000. The increase in compensation consisted mainly of management bonuses which were higher in 2010 than in 2009. The increase in professional fees included legal and accounting fees. These increases were offset by reductions in other individually insignificant accounts.

Restructuring: We incurred restructuring costs of approximately $217,000 in the year ended December 31, 2010 related to lease termination costs associated with vacating our laboratory space. No similar costs were incurred in 2009.

Other income: Other income of $883,000 at December 31, 2010 was primarily comprised of approximately $733,000 of grant proceeds from the Internal Revenue Service pursuant to the qualifying therapeutic discovery grant program and approximately $149,000 in proceeds from the sale of equipment.

Interest income: Interest income decreased approximately $404,000 from $489,000 in the year ended December 31, 2009 to $85,000 in the year ended December 31, 2010. The decrease is attributable to a lower average cash equivalents and marketable securities balance in 2010.

Liquidity and Capital resources

From inception to March 31, 2011, we have incurred an accumulated deficit of $136.1 million, primarily as a result of expenses incurred through a combination of research and development activities related to our various product candidates and expenses supporting those activities.

We have financed our operations since inception primarily through the private sale of preferred stock as well as the receipt of $5,000,000 in fees associated with an option agreement. Total cash, cash equivalents and marketable securities as of March 31, 2011 were $12,074,293.

The following table sets forth the major sources and uses of cash for each of the periods set forth below:

	Years ended December 31,		Change		Three months ended March 31,		Change	
	2009	2010	$	%	2010	2011	$	%
	(in thousands)				(in thousands)			
Net cash provided by (used in):								
Operating activities	$ (18,293)	$ (12,986)	$ 5,307	-29%	$ (4,230)	$ (6,454)	$ (2,224)	53%
Investing activities	17,623	15,669	(1,954)	-11%	2,852	6,097	3,245	114%
Financing activities	(8)	2	10	-125%	–	–	–	0%
Net increase (decrease) in	(678)	2,685	3,363	-496%	(1,378)	(357)	1,021	-74%

cash and cash equivalents

Cash Flows From Operating Activities

The increase of $2,224,000 in net cash used in operations for the three months ended March 31, 2011 compared to the three months ended March 31, 2010 was primarily associated with an increase in net loss of $1,902,000 and net changes in working capital related to expenses incurred to initiate the Phase 3 clinical study for BA058 Injection, the most significant of which was a $311,000 change in accrued expenses.

The decrease of $5,307,000 in net cash used in operations for the year ended December 31, 2010 compared to the year ended December 31, 2009 was primarily associated with a $459,000 decrease in net loss and net changes in working capital, including a $2,413,000 million increase in accrued expenses related to preparations to initiate the Phase 3 clinical study for BA058 Injection, a $1,027,000 decrease in accounts payable and a decrease of $1,615,000 million in deferred revenue due to the expiration of the Novartis option agreement in 2009.

Cash Flows From Investing Activities

Net cash provided by investing activities increased by $3,245,000 for the three months ended March 31, 2011 compared to the three months ended March 31, 2010. The increase was primarily a result of a $3,234,000 increase in net cash proceeds from maturities of investments, net of purchases, in the three months ended March 31, 2011; offset by $11,000 used for the purchase of equipment.

Net cash provided by investing activities decreased by $1,953,000 for the year ended December 31, 2010 compared to the year ended December 31, 2009. The decrease was primarily a result of a $2,120,000 decrease in net cash proceeds from the sales and maturities of investments, net of purchases, in the year ended December 31, 2010; offset by $149,000 in proceeds from the sale of equipment.

Our investing cash flows will be impacted by the timing of purchases and sales of marketable securities. All of our marketable securities have contractual maturities of less than one year. Due to the short-term nature of our marketable securities, we would not expect our operational results or cash flows to be significantly affected by a change in market interest rates due to the short-term duration of our investments.

Cash Flows From Financing Activities

There were no significant cash flows from financing activities for the three months ended March 31, 2011 and March 31, 2010 or the years ended December 31, 2010 and December 31, 2009.

Our continued operations will depend on whether we are able to raise additional funds through various potential sources, such as equity and debt financing and potential collaboration agreements. Through March 31, 2011, a significant portion of our financing has been through private placements of preferred stock, as well as drawings under a term loan facility. We will seek to continue to fund operations from cash on hand and through additional equity and/or debt financing and potential collaboration agreements. We can give no assurances that any additional capital that we are able to obtain will be sufficient to meet our needs. Based on our existing resources, which include the $21,428,000 of proceeds from the first closing of the Series A-1 Financing on May 17, 2011 and an irrevocable legally binding commitment effective May 11, 2011, for additional proceeds of $42,857,000 from the issuance of Series A-1 in two additional closings which are expected to take place in 2011, as well as a term loan of an aggregate principal amount of up to $25,000,000, $6,250,000 of which was drawn on May 23, 2011 and is repayable over a term of 42 months, we believe that we have sufficient capital to fund our operations into the second quarter of 2012, but will need additional financing thereafter until we can achieve profitability, if ever.

Financings

Through March 31, 2011, we received aggregate net cash proceeds of $105.9 million from the sale of shares of our preferred stock as follows:

Issue	Year	No. Shares	Net Proceeds (in thousands)
Series B redeemable convertible preferred stock	2003, 2004, 2005	1,599,997	23,775
Series C redeemable convertible preferred stock	2006, 2007, 2008	10,146,629	82,096
		11,746,626	$ 105,871

On May 11, 2011 accredited investors in a Series A-1 convertible preferred stock financing ("Series A-1 Private Placement") entered into an irrevocable legally binding commitment to purchase $64.3 million of Series A-1 convertible preferred stock in three closings. The first closing of the Series A-1 Private Placement occurred on May 17, 2011 and we received gross proceeds of approximately $21,428,000 through the sale of 2,631,845 shares of Series A-1 convertible preferred stock. Those shares were exchanged in the Merger for an aggregate of

263,177 Shares of Series A-1 Stock Preferred Shares of the Series A-1 Preferred Stock are convertible, in whole or in part, at the option of the holder at any time into shares of our common stock initially on a one-for-ten basis at an initial conversion price of $8.142 per share.

The Series A-1 Private Placement provides for additional Stage II and Stage III closings upon notice by us to the same accredited investors for an additional 526,358 shares of Series A-1 convertible preferred stock in consideration of gross proceeds of an additional $42,857,000. We expect to affect the Stage II and Stage III closings in 2011. Concurrently with the Stage I Closing of the Series A-1 Private Placement, we issued 64,430 shares of Series A-5 Preferred Stock to Nordic for gross proceeds of approximately $525,000. These shares were exchanged in the merger for 6,443 shares of Series A-5 convertible preferred stock.

On May 23, 2011, the Company entered into a Loan and Security Agreement with General Electric Capital Corporation ("GECC") as agent and a lender, and Oxford Finance LLC ("Oxford" and together with GECC, the "Lenders") as a lender, pursuant to which the lenders agreed to make available to the Company $25,000,000 in the aggregate over three term loans. The initial term loan was made on May 23, 2011 in an aggregate principal amount equal to $6,250,000 (the "Initial Term Loan") and is repayable over a term of 42 months, including a six month interest only period. The initial term loan bears interest at 10%. Pursuant to the Agreement, the Company may request two (2) additional term loans, the first, which must be funded not later than November 23, 2011, in an aggregate principal amount equal to $6,250,000 (the "Second Term Loan") and the second, which must be funded not later than May 23, 2012, in an aggregate principal amount equal to $12,500,000 (the "Third Term Loan"). In the event the Second Term Loan is not funded on or before November 23, 2011, the Lenders' commitment to make the Second Term Loan shall be terminated and the total commitment shall be reduced by $6,250,000. In the event the Third Term Loan is not funded on or before May 23, 2012, the Lenders' commitment to make the Third Term Loan shall be terminated and the total commitment shall be further reduced by $12,500,000. Pursuant to the agreement, the Company agreed to issue to the Lenders (or their respective affiliates or designees) stock purchase warrants (collectively, the "Warrants") to purchase in the aggregate a number of shares of the Company' s Series A-1 Preferred Stock equal to the quotient of (a) the product of (i) the amount of the applicable term loan multiplied by (ii) four percent (4%) divided by (b) the exercise price equal to $81.42 per share. The exercise period of each Warrant to be issued will expire ten (10) years from the date such Warrants are issued. On May 23, 2011, the Company issued a Warrant to each of GECC and Oxford for the purchase of 3,203 shares of Series A-1 Preferred Stock.

Research and Development Agreements

We entered into a Letter of Intent with Nordic on September 3, 2010, pursuant to which we funded preparatory work by Nordic in respect of a Phase 3 clinical study of BA058 Injection. The Letter of Intent was extended on December 15, 2010 and on January 31, 2011. On March 29, 2011, we and Nordic entered into a Clinical Trial Services Agreement, a Work Statement NB-1 (the "Work Statement") under such Clinical Trial Services Agreement and a related Stock Issuance Agreement, as amended. Pursuant to the Work Statement, Nordic is managing the Phase 3 clinical study ("Clinical Study") of BA058 Injection and Nordic will be compensated for such services in a combination of cash and shares of Series A-6 convertible preferred stock.

Pursuant to the Work Statement, we are required to make certain per patient payments denominated in both euros and U.S. dollars for each patient enrolled in the Clinical Study followed by monthly payments for the duration of the study and final payments in two equal euro-denominated installments and two equal U.S. Dollar-denominated installments. Changes to the Clinical Study schedule may alter the timing, but not the aggregate amounts, of the payments. The Work Statement provides for a total of 33,867,000 of euro-denominated payments and 4,856,000 of U.S. Dollar-denominated payments over the course of the Clinical Study.

Pursuant to the Stock Issuance Agreement, Nordic agreed to purchase the equivalent of 371,864 of Series A-5 at $8.142 per share. 64,430 shares of Series A-5 Preferred Stock were issued to Nordic on May 17, 2011, which generated proceeds of $525,000 to the Company. These shares were exchanged in the Merger for an aggregate of 6,443 shares of Series A-5 convertible preferred stock.

The Stock Issuance Agreement provides that Nordic is entitled to receive quarterly stock dividends, payable in shares of Series A-6 convertible preferred stock, having an aggregate value of up to 36,814,531 (the "Series A-5 Accruing Dividend"). This right to receive the Series A-5 Accruing Dividend is non-transferrable and will remain with Nordic in the event it sells the shares of Series A-5 preferred stock or in the event the shares of Series A-5 Preferred Stock are converted into common stock in accordance with the Company's amended certificate of incorporation. As of June 30, 2011, 57,987 shares of Series A-6 preferred stock are due to Nordic.

The Company recorded $11,356,000 in the six-month period ended June 30, 2011 reflecting costs incurred for preparatory and other start-up costs to initiate the Clinical Study in April 2011. The Company recorded an additional $453,000 of research and development expense in the six-month period ended June 30, 2011 for per-patient costs incurred for patients that had enrolled in the Clinical Study as of June 30, 2011. As of June 30, 2011, in addition to the $3,421,000 liability that is reflected in Other Liabilities on the Balance Sheet that will be settled in shares of Series A-6 Preferred Stock, as noted above, the Company has a liability to Nordic of approximately $1,594,000 that is included in accrued expenses on the Balance Sheet.

The Company is also responsible for certain pass through costs in connection with the Clinical Study. The Company recognized research and development expense of $2,361,000 for pass through costs in the six-month period ended June 30, 2011.

License Agreement Obligations

BA058

In September, 2005, we exclusively licensed the worldwide rights (except Japan) to BA058 and analogs from Ipsen. Of particular relevance, Radius licensed US Patent No. 5,969,095, (effective filing date 3/29/1996 statutory term expires 3/29/2016) entitled “Analogs of Parathyroid Hormone” that claims BA058 and US Patent No. 6,544,949, (effective filing date 3/29/1996 statutory term expires 3/29/2016) entitled “Analogs of Parathyroid Hormone” that claims methods of treating osteoporosis using BA058 and pharmaceutical compositions comprising BA058, and the corresponding foreign patents and continuing patent applications. In addition, Radius has rights to joint Ipsen/ Radius intellectual property related to BA058 including rights to the joint Radius/Ipsen derived intellectual property contained in US7803770, (effective filing date 10/3/2007, statutory term expires 10/3/2027, plus 175 days of patent term adjustment due to delays in patent prosecution by USPTO) and related patent applications both in the United States and worldwide (excluding Japan) that cover the method of treating osteoporosis using the phase 3 clinical dosage strength and form. In consideration for the rights to BA058 and in recognition of certain milestones having been met to date, Radius has paid to Ipsen an aggregate amount of $1,000,000 US dollars. The license agreement further requires Radius to make payments upon the achievement of certain future clinical and regulatory milestones. The range of milestone payments that could be paid under the agreement is 10,000,000 to 36,000,000. Should BA058 become commercialized, Radius will be obligated to pay to Ipsen a fixed 5% royalty based on net sales of the product on a country by country basis until the later of the last to expire of the licensed patents or for a period of 10 years after the first commercial sale in such country. The date of the last to expire of the licensed patents, barring any extension thereof, is expected to be 3/26/2028. In the event that Radius sublicenses BA058 to a third party, Radius is obligated to pay Ipsen a percentage of certain payments received from the sublicense. The applicable percentage is in the low double digit range. In addition, if we or our sublicensees commercialize a product that includes a compound discovered by us based on or derived from confidential Ipsen know-how, we will be obligated to pay to Ipsen a fixed low single digit royalty on net sales of such product on a country-by-country basis until the later of the last to expire of our patents that cover such product or for a period of 10 years after the first commercial sale of such product in such country. Effective May 11, 2011, Ipsen agreed to accept shares of Series A-1 Preferred Stock in lieu of a cash milestone

payment of 1,000,000. We issued 173,263 shares of Series A-1 Preferred Stock to Ipsen on May 17, 2011 to settle the liability. These shares were exchanged in the Merger for an aggregate of 17,326 shares of Series A-1 Convertible Preferred Stock. The license agreement contains other customary clauses and terms as are common in similar agreements in the industry.

RAD1901

In June, 2006, we exclusively licensed the worldwide rights (except Japan) to RAD1901 from Eisai. In particular, we licensed US Patent No. 7,612,114 (effective filing date 12/25/2003, statutory term extended to 8/18/2026 with 967 days of patent term adjustment due to delays by the USPTO). In consideration for the rights to RAD1901 and in recognition of certain milestones having been met to date, Radius has paid to Eisai an aggregate amount of $1,500,000 US dollars. The range of milestone payments that could be paid under the agreement is $1,000,000 to $20,000,000. The license agreement further requires Radius to make payments upon the achievement of certain future clinical and regulatory milestones. Should RAD1901 become commercialized, Radius will be obligated to pay to Eisai a royalty in a variable mid-single digit range based on net sales of the product on a country by country basis for a period that expires on the later of (i) date the last remaining valid claim in the licensed patents expires, lapses or is invalidated in that country, the Product is not covered by data protection clauses, and the sales of lawful generic version of the Product account for more than a specified percentage of the total sales of all pharmaceutical products containing the licensed compound in that country; or (ii) a period of 10 years after the first commercial sale of the licensed products in such country unless it is sooner terminated. The latest valid claim to expire, barring any extension thereof, is expected on 8/18/2026. The royalty rate shall then be subject to reduction and the royalty obligation will expire at such time as sales of lawful generic version of such product account for more than a specified minimum percentage of the total sales of all products that contain the licensed compound. We were also granted the right to sublicense with prior written approval from Eisai, but subject to a right of first negotiation held by Eisai if we seek to grant sublicenses limited to particular Asian countries. In addition, if we sublicense RAD1901 to a third party, we will be obligated to pay Eisai, in addition to the milestones referenced above, a fixed low double digit percentage of certain fees we receive from such sublicensee and royalties in the low single digit range based on net sales of the sublicensee. The license agreement contains other customary clauses and terms as are common in similar agreements in the industry.

Net Operating Loss Carryforwards

As of December 31, 2010, we had federal and state net operating loss carryforwards of approximately $85,000,000 and $75,000,000, respectively. If not utilized, the net operating loss carryforwards will begin expiring in 2024 and 2016 for federal and state purposes, respectively.

Under Section 382 of the Code, substantial changes in our ownership may limit the amount of net operating loss carryforwards that could be utilized annually in the future to offset taxable income. Specifically, this limitation may arise in the event of a cumulative change in ownership of our company of more than 50% within a three-year period. Any such annual limitation may significantly reduce the utilization of the net operating loss carryforwards before they expire. The closing of this offering, together with private placements and other transactions that have occurred since our inception, may trigger an ownership change pursuant to Section 382, which could limit the

amount of net operating loss carryforwards that could be utilized annually in the future to offset taxable income, if any. Any such limitation, whether as the result of this offering, prior private placements, sales of common stock by our existing stockholders or additional sales of common stock by us after this offering, could have a material adverse effect on our results of operations in future years. We have not completed a study to assess whether an ownership change has occurred, or whether there have been multiple ownership changes since our inception, due to the significant costs and complexities associated with such study. In each period since our inception, we have recorded a valuation allowance for the full amount of our deferred tax asset, as the realization of the deferred tax asset is uncertain. As a result, we have not recorded any federal or state income tax benefit in our statement of operations.

Internal Control Over Financial Reporting

We are not currently required to comply with Section 404 of the Sarbanes-Oxley Act and are therefore not required to make an assessment of the effectiveness of our internal control over financial reporting. Further, our independent registered public accounting firm has not been engaged to express, nor have they expressed, an opinion on the effectiveness of our internal control over financial reporting. In connection with our becoming a public company, we intend to hire additional accounting personnel with public company and SEC reporting experience and to focus on implementing appropriate internal controls and other procedures.

Changes in Registrant's Certifying Accountants

In connection with the closing of the Merger on May 17, 2011, Ernst & Young LLP ("E&Y"), who was the independent registered public accounting firm for Target prior to the Merger, became the independent registered public accounting firm for the Company and Raich Ende Malter & Co. LLP ("REMC") was dismissed as the independent registered public accountant for the Company. The decision to appoint E&Y and dismiss REMC was recommended, and subsequently approved, by the Board of Directors of the Company.

The reports of REMC on the Company' s financial statements for the period ended December 31, 2010 did not contain an adverse opinion or a disclaimer of opinion, and were not qualified or modified as to uncertainty, audit scope, or accounting principles.

In connection with the audits of the Company' s financial statements for each of the two years ended December 31, 2010, and in the subsequent interim period through REMC' s dismissal, there were no disagreements with REMC on any matters of accounting principles or practices, financial statement disclosures, or auditing scope or procedures, which if not resolved to REMC' s satisfaction would have caused REMC to make reference to the matter in their report.

In connection with the audited financial statements of the Company through REMC' s dismissal, there have been no reportable events with the Company as set forth in Item 304(a)(1)(v) of Regulation S-K.

The Company has requested that REMC furnish it with a letter addressed to the Securities & Exchange Commission stating whether it agrees with the above statements. A copy of the letter, dated July 12, is filed herewith as Exhibit 16.1.

Quantitative and Qualitative Disclosures about Market Risk

Our primary exposure to market risk is foreign currency exposure. A substantial portion of our BA058 development costs are denominated in euro and an immediate 10 percent adverse change in the dollar/euro exchange rate will result in increased costs and would have a material adverse impact on our financial statements and require us to raise additional capital to complete the development of our products. We do not hedge our foreign currency exchange rate risk.

We are also exposed to market risk related to changes in interest rates. As of December 31, 2010 and December 31, 2009, we had cash, cash equivalents and short-term investments of $18,551,000 and $31,722,000 million, respectively, consisting of money market funds, U.S. Treasuries, Certificates of Deposit and cash equivalents. This exposure to market risk is interest rate sensitivity, which is affected by changes in the general level of U.S. interest rates, particularly because our investments are in short-term marketable securities. Our short-term investments are subject to interest rate risk and will fall in value if market interest rates increase. Due to the short-term duration of our investment portfolio and the low risk profile of our investments, an immediate 10 percent change in interest rates would not have a material effect on the fair market value of our portfolio. We have the ability to hold our short-investments until maturity, and therefore we would not expect our operations results or cash flows to be affected by any significant degree by the effect of a change in market interest rates on our investments. We carry our investments based on publicly available information. We do not currently have any hard to value investment securities or securities for which a market is not readily available or active.

We are not subject to significant credit risk as this risk does not have the potential to materially impact the value of assets and liabilities.

MANAGEMENT

Each executive officer and each member of our board of directors shall serve until his successor is elected and qualified.

Name	Age	Position
C. Richard Lyttle, Ph.D	66	Director, President and Chief Executive Officer
Nick Harvey	51	Senior Vice President, Chief Financial Officer, Treasurer and Secretary
Louis O' Dea, MB	60	Senior Vice President, Chief Medical Officer
Gary Hattersley, PhD	44	Vice President, Biology
Alan Auerbach	42	Director
Jonathan Fleming	54	Director
Ansbert K. Gadicke, M.D.	53	Director
Kurt Graves	43	Director
Martin Muenchbach, Ph.D.	40	Director
Elizabeth Stoner, M.D.	60	Director

C. Richard Lyttle, PhD, Director, President and Chief Executive Officer, 66, has served as a member of our board of directors and as our President and Chief Executive Officer since November 2010. Prior to the Merger Short-Form Merger, Dr. Lyttle had been President and Chief Executive Officer and a Director of Target since August 2004. Dr. Lyttle is the former Vice President of Discovery for Women' s Health and Bone from 1998 to 2004, and the Women' s Health Research Institute at Wyeth from 1993 to 2004. Prior to joining Wyeth, Dr. Lyttle was Research Professor of Obstetrics, Gynecology, and Pharmacology at the University of Pennsylvania from 1979 to 1993. He received a PhD in Biochemistry from Queen' s University, Kingston, Ontario in 1972, followed by postdoctoral research at the Population Council at the Rockefeller University from 1973 to 1974, the Department of Biology at Queen' s University from 1974 to 1976, and at the University of Chicago from 1976 to 1979. Dr. Lyttle was selected as a director because of his business and professional experience.

Nick Harvey, Senior Vice President, Chief Financial Officer, Treasurer and Secretary, 51, has served as our Chief Financial Officer, Treasurer and Secretary since November 2010, and served as a member of our board of directors from November 2010 until the consummation of the Merger in May 2011. Prior to the Merger and Short-Form Merger, Mr. Harvey had served as Chief Financial Officer and Senior Vice President of Target since December 2006. Prior to joining Target, Mr. Harvey served as Managing Director of Shiprock Capital, LLC, a venture capital firm, from 2003 to 2006 and remains a member of the Board of that firm. Prior to Shiprock Capital, Mr. Harvey served as Chief Financial Officer of a number of venture-backed companies over a 10-year period, including LifetecNet from 2001 to 2002, Transfusion Technologies from 1999 to 2000, and Transcend Therapeutics from 1993 to 1999. Mr. Harvey received a Bachelor of Economics degree in 1980 and a Bachelor of Laws degree with first-class honors in 1983 from the Australian National University, and an MBA from the Harvard Business School in 1991. Mr. Harvey was selected as a director because of his business and professional experience.

Louis O' Dea, M.B., Senior Vice President, Chief Medical Officer, 60, has been Senior Vice President and Chief Medical Officer since the closing of the Merger in May 2011 and, prior to the Merger served in such capacity at Target since March 2006. Prior to joining Target, Dr O' Dea was Vice President and Head of Clinical Development for Reproductive Endocrinology and Metabolism at Serono, Inc. from 2004 to 2006. Joining Serono as a Medical Director in 1993 (1993-95), he was appointed Executive Medical Director in 1995 (1995-1998) and Vice President for Clinical Development in 1999 (1999-2006). From 2000 to 2002, Dr O' Dea served as Regional Medical Officer in Japan. Dr. O' Dea received his Medical Degree from University College Dublin, Ireland, in 1976. He received his postgraduate medical education in Internal Medicine and Endocrinology at McGill University, Canada from 1976-84 and is board certified in both specialties in Canada and USA. From 1984-88, Dr O' Dea undertook a Research and Clinical Fellowship in Reproductive Endocrinology at Massachusetts General Hospital, Harvard University and from 1988-95 was a member of the Medical Faculty of McGill University, Montreal, Canada, in the Departments of Medicine and Obstetrics-Gynecology. Dr O' Dea has also served on the Board of Directors of the Eliassen Group from 2007 to 2010 and is an advisor to Lineage Capital.

Gary Hattersley, PhD, Vice President, Biology, 44, has served as our Vice President of Biology since the closing of the Merger in May 2011 and had served in the same capacity at Target since April 2008. He also served as Target' s Director, Disease Biology & Pharmacology from 2003 to 2008. Prior to joining Target, Dr. Hattersley was a Senior Scientist at Millennium Pharmaceuticals from 2000 to 2003 with responsibility for the discovery and development of novel small-molecule agents for the treatment of osteoporosis and other metabolic bone diseases. Dr. Hattersley also held positions at Genetics Institute/Wyeth Research from 1992 to 2000 investigating the application of the bone morphogenetic proteins in bone and connective tissue repair and regeneration. Dr. Hattersley received a PhD in Experimental Pathology from St. George' s Hospital Medical School in London in 1991.

Alan H. Auerbach, 42, has been a director since the closing of the Merger in May 2011 and, prior to the Merger, was a director of Target since October 2010. Mr. Auerbach is currently the Founder, Chief Executive Officer and President of Puma Biotechnology, Inc., a company dedicated to in-licensing and developing drugs for the treatment of cancer and founded in 2010. Mr. Auerbach founded Cougar Biotechnology in May 2003 and served as the company' s Chief Executive Officer, President and a Member of its Board of Directors until July 2009 when Cougar was acquired by Johnson & Johnson for approximately $1 billion. From July 2009 until January 2010, Mr. Auerbach served as the Co-Chairman of the Integration Steering Committee at Cougar (as part of Johnson & Johnson) that provided leadership and oversight for the development and global commercialization of Cougar' s lead product candidate, abiraterone acetate, for the treatment of advanced prostate cancer. Prior to founding Cougar, from June 1998 to April 2003 Mr. Auerbach was a Vice President, Senior Research Analyst at Wells Fargo Securities, where he was responsible for research coverage of small- and middle- capitalization biotechnology companies, with a focus on companies in the field of oncology. He had primary responsibility for technical, scientific and clinical due diligence, as well as selection of biotechnology companies followed by the company. During 2002, Mr. Auerbach ranked second in the NASDAQ/Starmine survey of analyst performance for stock picking in biotechnology. From August 1997 to May 1998, Mr. Auerbach was a Vice President, Research Analyst at the Seidler Companies, Inc., where he was responsible for research coverage of small capitalization biotechnology companies. Prior to his work as a biotechnology analyst, Mr. Auerbach worked for Diagnostic Products Corporation, where he designed and implemented clinical trials in the field of oncology. Mr. Auerbach received a B.S. in Biomedical Engineering from Boston University and an M.S. in Biomedical Engineering from the University of Southern California. Mr. Auerbach was selected as a director because of his business and professional experience, including but not limited his leadership of Cougar Biotechnology in drug development, private and public financings and a successful sale of the business.

Jonathan Fleming, 54, has been a director since the closing of the Merger in May 2011 and prior to the Merger, was as director of Target since March 2009. Mr. Fleming is, the Managing General Partner of Oxford Bioscience Partners (OBP), an international venture capital firm specializing in life science technology-based investments, which he joined in August 1996 as a General Partner, with offices in Boston and Connecticut. Mr. Fleming has been in the investment business for more than 20 years and has launched and financed growth companies in the United States, Europe, and Israel. Prior to joining OBP in 1996, Mr. Fleming was a Founding General Partner of MVP Ventures in Boston from 1988 to 1996. He began his investment career with TVM Techno Venture Management in Munich, Germany in 1985. Mr. Fleming is also a co-founder of Medica Venture Partners, a venture capital investment firm specializing in early-stage healthcare and biotechnology companies in Israel. Mr. Fleming has been on the Board of Asterand plc (LSE: ATD) since September 2008 and is a director of several private companies including Leerink Swann, a Boston-based investment bank specializing in healthcare companies since June 1998, Laboratory Partners, a clinical diagnostic testing company, since June 2006, and Railrunner, a rail products and services company, since June 1999. Mr. Fleming is a Trustee of the Museum of Science in Boston, a Member of the Board of the New England Healthcare Institute, and a Senior Lecturer at the MIT Sloan School of Business. He holds an MPA from Princeton University and a BA from the University of California, Berkeley. Mr. Fleming brings to our board of directors strategic insight and experience with his long career in venture capital and investing in life sciences technology-based firms for over 20 years.

Ansbert K. Gadicke, MD, 53, has been a director since the closing of the Merger and, prior to the Merger, served a director of Target since November 2003. Dr. Gadicke is a Co-Founder and Managing Director of MPM Capital since August 1996 to date. He led MPM' s effort to build its Advisory and Investment Banking business from 1992 to 1996 and started its Asset Management business in 1996. Prior to founding MPM, Dr. Gadicke was employed by The Boston Consulting Group from 1989 to 1992. Dr. Gadicke received an M.D. from J.W. Goethe University in Frankfurt in 1983. He subsequently held research positions in biochemistry and molecular biology at the German Cancer Research Center from 1984 to 1986, Harvard University from 1987 to 1988, and the Whitehead Institute at MIT from 1988 to 1989. He has published in leading scientific publications including Nature and Cell. Dr. Gadicke is also a director of Cerimon Pharmaceuticals; Dragonfly Sciences; Solasia Pharma K.K., Tokyo; and Verastem, Inc.

He previously served as a director of Arriva Pharmaceuticals, BioMarin, Biovitrum, Chiasma, Coelacanth, Idenix, Kourion, MediGene, Omrix Biopharmaceuticals, Pharmasset, Inc.; PharmAthene, Transform, Xanodyne Pharmaceuticals, and ViaCell. He is a member of the Board of Fellows of Harvard Medical School. Dr. Gadicke was selected as a director because of his business and professional experience.

Kurt Graves, 43, has been a director since the closing of the Merger in May 2011. Mr. Graves is a global industry leader with more than twenty years of US and global general management experience in top-tier U.S. and Europe-based pharmaceutical and biotechnology companies. Since October 2009, he has been an independent consultant and since August and November 2010, he has been serving as the Executive Chairman of two private late stage Biotech companies in type 2 diabetes and HCV, Intarcia Therapeutics and Biolex Therapeutics, respectively. Prior to this, he served as an Executive Vice President, Chief Commercial Officer and Head of Strategic Development at Vertex Pharmaceuticals Inc. from July 2007 to October 2009 where he led the development of the company' s HCV and CF programs as well as the acquisition of Virochem Pharmaceuticals. Prior to joining Vertex, Mr. Graves held various leadership positions at Novartis Pharmaceuticals from 1999 to June 2007 including a member of the Executive Committee and the Global Head of the General Medicines Business, a $15 billion dollar business with 8 therapeutic area franchises. He was also the first Chief Marketing Officer for the Pharmaceuticals division from September 2003 June 2007. Prior to that, Mr. Graves served as Senior Vice President & General Manager−US Pharma & Commercial Operations; Vice President, Head of US Marketing & Primary Care Franchises; and Vice President & Business Unit Head: Respiratory, GI, Dermatology and Bone Franchises at Novartis.. Prior to joining Novartis in 1999, Mr. Graves held various commercial and general management positions since 1990 at Merck and Astra/Merck Pharmaceuticals including US GI Business Unit Head where he was responsible for developing and commercializing for Prilosec(R) and Nexium(R) and the Prilosec OTC alliance with P&G. He has also been a director of Pulmatrix Therapeutics, Alevium Pharmaceuticals, and Springleaf Therapeutics since 2010 as well. Mr. Graves earned his B.S. in Biology from Hillsdale College and has attended numerous executive leadership programs at Harvard, Wharton, and University of Michigan. Mr. Graves was selected as a director because of his business and professional experience.

Martin Muenchbach, Ph.D., 40, has been a director since the closing of the Merger in May 2011 and prior to the Merger, he served as an observer to the Board of Directors of Target since February 2007. Dr. Muenchbach launched BB BIOTECH VENTURES II in, and has managed it since, 2004. Previously, he was Partner at BioMedinvest and Investment Advisor at HBM Partners. At BioMedinvest, from 2003 to 2004, he led several of the firm' s investments, and served on the board of portfolio companies. Before the merger of HBM Bioventures and NMT New Medical Technologies, he was Investment Manager at NMT from 1999 to 2003, where he was focusing on international private equity investments in biopharmaceutical and biotechnological companies. Before becoming a venture capitalist, from Dr. Muenchbach gained experience in strategic marketing at Sanofi-Synthelabo. Dr. Muenchbach holds a Ph.D. in Protein Chemistry, a MSc in Biochemistry and a Master in Industrial Engineering and Management from the Swiss Federal Institute of Technology (ETH), Zurich. Dr. Muenchbach' s current board assignments include BioVascular Inc, Molecular Partners AG, Optimer Pharmaceuticals Inc, and Tioga Pharmaceuticals Inc. Dr. Muenchbach was selected as a director because of his business and professional experience.

Elizabeth Stoner, M.D., 60, has been a director since the closing of the Merger in May 2011. Dr. Stoner has been a Managing Director at MPM Capital from October 2007 to date and is based at the Boston office. Dr. Stoner is also the Chief Development Officer of Rhythm Pharmaceuticals. She is an industry veteran with broad expertise in clinical research and pharmaceutical product development. Dr. Stoner joined MPM Capital following a 22 year career at Merck Research Laboratories where she started in 1985. At the time of her retirement from Merck in 2007, she served as a Senior Vice President of Global Clinical Development Operations with responsibility for the Merck' s clinical development activities in more than 40 countries. Dr. Stoner also oversaw the clinical development activities of Merck' s Japanese partner, Banyu, led the clinical development for the Merck/Schering-Plough Joint Venture for Zetia/Vytorin, and played a critical leadership role in Merck' s efforts to transform its worldwide clinical development operations. Earlier in her career at Merck, she had led the Proscar clinical development program from inception to establishing Merck as a leader in the field of prostate disease. As the Endocrine Therapeutic Head, Dr. Stoner' s responsibilities included all steroid and lipid metabolism, as well as the growth hormone secretagogue clinical research programs. Prior to her position at Merck, she served as an Assistant Professor of Pediatrics at Cornell University Medical College from 1982 to 1985. She has been a director of Momenta Pharmaceuticals Inc. since October 25, 2007. She also served as director for Metabasis Pharmaceuticals. Dr. Stoner is a Member of the Scientific Advisory Board at Solasia, Inc. She received an M.D. from Albert Einstein College of Medicine, an M.S. in Chemistry from the State University of New York at Stony Brook, and a B.S. in Chemistry from

Ottawa University, Kansas. Dr. Stoner was selected as a director because of her knowledge and expertise in the development of pharmaceutical products.

Terms of Office; Voting Arrangements as to Directors

Our directors and officers have been appointed for a one-year term or until their respective successors are duly elected and qualified or until their earlier resignation or removal in accordance with our By-Laws.

Pursuant to a stockholders' agreement and our certificate of incorporation:

(i) for so long as any shares of Series A-1 Stock are outstanding, the holders of a majority of the shares of Series A-1 Stock outstanding, voting as a separate class, shall have the right to elect two (2) members of the Board of Directors; and

(ii) Oxford Bioscience Partners IV L.P. (together with Saints Capital VI, L.P. and their respective affiliates and certain transferees), HealthCare Ventures VII, L.P. (together with its affiliates and certain transferees) and The Wellcome Trust Limited as trustee of the Wellcome Trust (together with its affiliates and certain transferees) (collectively, the "G3 Holders" and individually, each a "Group") voting as a separate class shall have the right to elect one (1) member of the Board of Directors of the Corporation by majority vote of the shares of Series A-1 Stock held by them; provided, however, that in order to be eligible to vote or consent with respect to the election of such member of the Board of Directors, a G3 Holder together with members of such G3 Holders' Group must hold greater than twenty percent (20%) of the shares of Series A-1 Stock purchased under the Series A-1 Stock Purchase Agreement by such G3 Holder and the members of such G3 Holders' Group; and

(iii) MPM Capital L.P., voting as a separate class, shall have the right to elect one (1) member of the Board of Directors of the Corporation by majority vote of the shares of Series A-1 Stock held by MPM Capital L.P.; provided that such member of the Board of Directors shall be an individual with particular expertise in the development of pharmaceutical products; and, provided, further, that in order to be eligible to vote or consent with respect to the election of such member of the Board of Directors, MPM Capital L.P. together with members of the MPM Group (as defined in the Stockholders' Agreement) must hold greater than twenty percent (20%) of the shares of Series A-1 Stock purchased under the Series A-1 Stock Purchase Agreement by MPM Capital L.P. and the members of the MPM Group.

As part of the stockholders' agreement, certain of the stockholders will agree to vote in favor of all nominations pursuant to the foregoing.

Certain Relationships and Transactions

Significant Employees

As of the date hereof, we have no significant employees, other than the Company' s named executive officers.

Family Relationships

There are no family relationships among our directors or executive officers.

Involvement in Certain Legal Proceedings

To our knowledge, there have been no events under any bankruptcy act, no criminal proceedings and no Federal or State judicial or administrative orders, judgments, decrees or findings, no violations of any Federal or State securities law, and no violations of any Federal commodities law material to the evaluation of the ability and integrity of any director (existing or proposed), executive officer (existing or proposed), promoter or control person of the Company during the past ten (10) years.

Transactions with Related Persons

Since October 2010 until the closing of the Merger and Short-Form Merger, the Target funded our ongoing Exchange Act filing requirements and other costs associated with investigating and analyzing an acquisition. Management estimates such amounts to be de minimus. We have utilized the office space and equipment of MPM Asset Management LLC, our sole stockholder prior to the Redemption completed inconnection with the Merger and those of Target from time to time, in all cases, at no cost to us.

As described above, Dr. Lyttle, a current director and executive officer was the President and Chief Executive Officer of Target prior to the Merger, and each of Dr. Lyttle, Mr. Auerbach, Dr. Gadicke, and Mr. Fleming, each directors, served as directors of the Target prior to the Merger. In addition, certain investment funds affiliated with MPM Asset Management LLC (the sole stockholder of the Company prior to the Merger), MPM BioVentures III Fund, was an investor in Target prior to the Merger. Dr. Gadicke, the Managing Director of MPM Capital was a control person of the Company prior to the Merger and affiliated with major stockholders of the Target prior to the Merger. The shares held by MPM Asset Management LLC were repurchased by the Company for an aggregate purchase price of $50,000 plus reimbursement of certain costs for prior audit and legal fees, SEC filing fees, taxes and postage in the aggregate amount of $110,724.81 contemporaneously with the closing of the Merger.

Policies and Procedures for Review, Approval or Ratification of Transactions with Related Persons

We do not have any special committee, policy or procedure related to the review, approval or ratification of related party transactions, other than as required by the Delaware General Corporation Law.

Director Independence

Our Board is comprised of seven directors. Our securities are not listed on a national securities exchange or on any inter-dealer quotation system which has a requirement that directors be independent. We evaluate independence by the standards for director independence established by applicable laws, rules, and listing standards, including, without limitation, the standards for independent directors established by the New York Stock Exchange, Inc., the NASDAQ National Market, and the Securities and Exchange Commission.

Subject to some exceptions, these standards generally provide that a director will not be independent if (a) the director is, or in the past three years has been, an employee of ours; (b) a member of the director' s immediate family is, or in the past three years has been, an executive officer of ours; (c) the director or a member of the director' s immediate family has received more than $120,000 per year in direct compensation from us other than for service as a director (or for a family member, as a non-executive employee); (d) the director or a member of the director' s immediate family is, or in the past three years has been, employed in a professional capacity by our independent public accountants, or has worked for such firm in any capacity on our audit; (e) the director or a member of the director' s immediate family is, or in the past three years has been, employed as an executive officer of a company where one of our executive officers serves on the compensation committee; or (f) the director or a member of the director' s immediate family is an executive officer of a company that makes payments to, or receives payments from, us in an amount which, in any twelve-month period during the past three years, exceeds the greater of $1,000,000 or two percent of that other company' s consolidated gross revenues.

Each of Alan Auerbach, Jonathan Fleming, Ansbert K. Gadicke, M.D., Kurt Graves, Martin Muenchbach, Ph.D. and Elizabeth Stoner, M.D. qualify as independent directors under the foregoing standard.

Board of Directors' Meetings

During the fiscal year ended December 31, 2010, our board of directors did not meet. We did not hold an annual meeting in 2010. Our board of directors conducted all of its business and approved all corporate action during the fiscal year ended December 31, 2010 by the unanimous written consent of its members, in the absence of formal board meetings.

Committees of the Board of Directors

The Board has a separately designated Audit Committee established in accordance with the Securities Exchange Act of 1934, as well as a standing Nominating and Corporate Governance Committee and Compensation Committee. The table below provides membership information for the Board and each committee as of the date of this Registration Statement. We have not adopted any procedures by which security holders may recommend nominees to our board of directors. We do not have a diversity policy. We do not have a qualified financial expert at this time because it has not been able to hire a qualified candidate. Further, we believe that it has inadequate financial resources at this time to hire such an expert. We intend to continue to search for a qualified individual for hire.

	Audit	Nominating and Corporate Governance	Compensation
Independent Directors			
Alan Auerbach		X	X
Jonathan Fleming	X		
Ansbert Gadicke		X	X
Kurt Graves		X	X
Martin Muenchbach	X		
Elizabeth Stoner	X		
Inside Directors			
Dr. Richard Lyttle			

Audit Committee

The Audit Committee' s responsibilities include:

- appointing, retaining, approving the compensation of and assessing the independence of our registered public accounting firm, including pre-approval of all services performed by our registered public accounting firm;
- overseeing the work of our registered public accounting firm, including the receipt and consideration of certain reports from the firm;
- reviewing and discussing with management and the registered public accounting firm our annual and quarterly financial statements and related disclosures;
- monitoring our internal control over financial reporting, disclosure controls and procedures and code of business conduct and ethics;
- establishing procedures for the receipt and retention of accounting related complaints and concerns;
- meeting independently with our registered public accounting firm and management; and
- preparing the audit committee report required by SEC rules.

The members of the Audit Committee are Jonathan Fleming, Martin Muenchbach and Elizabeth Stoner.

Compensation Committee

The Compensation Committee' s responsibilities include:

- reviewing and approving corporate goals and objectives relevant to chief executive officer compensation and the compensation structure for our officers;
- approving the chief executive officer' s compensation;
- reviewing and approving, or making recommendations to the board of directors with respect to, the compensation of our other executive officers; and
- overseeing and administering our equity incentive plans.

The members of the Compensation Committee are Alan Auerbach, Ansbert Gadicke and Kurt Graves.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee' s responsibilities include:

- identifying individuals qualified to become directors;
- recommending to the board of directors the persons to be nominated for election as directors and to each of the board' s committees;
- reviewing and making recommendations to the board with respect to management succession planning;
- developing and recommending to the board corporate governance principles; and
- overseeing an annual evaluation of the board.

The members of the Nominating and Corporate Governance Committee are Alan Auerbach, Ansbert Gadicke and Kurt Graves.

From time to time, the board may establish other committees to facilitate the management of our business.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our directors and officers, and persons who beneficially own more than ten percent (10%) of the Company' s Common Stock (collectively, the "Reporting Persons"), to file reports with the SEC of beneficial ownership and reports of changes in beneficial ownership of Common Stock on Forms 3, 4 and 5. Reporting Persons are required by applicable SEC rules to furnish us with copies of all such forms filed with the SEC pursuant to Section 16(a) of the Exchange Act. To our knowledge, based solely on our review of the copies of the Forms 3, 4 and 5 received by it during the fiscal year ended December 31, 2010, the Company believes that all reports required to be filed by such persons with respect to the Company' s fiscal year ended December 31, 2010 were timely filed, except the following reports: (a) Form 3 filed by C. Richard Lyttle on April 29, 2011; and (b) Form 3 filed by Nicholas Harvey on April 29, 2011.

Code of Ethics

We have not adopted a Code of Business Conduct and Ethics that applies to our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions in that our officers and directors serve in these capacities.

Board Leadership Structure and Role on Risk Oversight

Dr. C. Richard Lyttle currently serves as our Chief Executive Officer, President and Director, and Nick Harvey currently serves as our Chief Financial Officer, Treasurer, and Secretary. At present, we have determined this leadership structure, together with the rest of our board of directors, is appropriate due to our small size and limited operations and resources. Our current directors are exclusively involved in the general oversight of risks that could affect our business. The proposed directors will continue to evaluate our leadership structure and modify such structure as appropriate based on our size, resources, and operations.

Indemnification of Directors and Officers

Section 145 of the DGCL permits indemnification of officers, directors and other corporate agents under certain circumstances and subject to certain limitations. Articles 7 and 8 of our certificate of incorporation provides that we will indemnify, to the fullest extent permitted by Section 145 of the DGCL, as amended from time to time, each person that such section grants the Corporation power to indemnify, including in circumstances in which indemnification is otherwise discretionary under Delaware law. In addition, we have entered into separate indemnification agreements with our directors and executive officers which would require us, among other things, to indemnify them against certain liabilities which may arise by reason of their status or service (other than liabilities arising from willful misconduct of a culpable nature). The indemnification provisions in our certificate of incorporation and the indemnification agreements to be entered into between us and our directors and executive officers may be sufficiently broad to permit indemnification of our directors and executive officers for liabilities (including reimbursement of expenses incurred) arising under the Securities Act. We also intend to maintain director and officer liability insurance, if available on reasonable terms, to insure our directors and officers against the cost of defense, settlement or payment of a judgment under certain circumstances.

Legal Proceedings

We are not aware of any legal proceedings in which any director, officer, or record or beneficial owner of 5% or more of our outstanding capital stock is a party adverse to us or has a material interest adverse to us, or an affiliate of such persons.

Stockholder Communication with the Board of Directors

Stockholders may send communications to our board of directors by writing to the Company, c/o Radius Health, Inc., 201 Broadway, 6th Fl., Cambridge, MA, 02116 Attention: Board of Directors.

Executive and Director Compensation

The following tables summarize all compensation earned by or paid to our Chief Executive and Financial Officer (Principal Executive and Financial Officer) and other named executive officers during the two fiscal years ended December 31, 2010 and 2009. We have not had any formal policy for determining the compensation of executive officers.

SUMMARY COMPENSATION TABLE

By Us Prior to the Merger

Prior to the Merger, we had not issued any stock options or maintained any stock option or other equity incentive plans. Prior to the Merger, we had no plans in place and never maintained any plans that provided for the payment of retirement benefits or benefits that will be paid primarily following retirement including, but not limited to, tax qualified deferred benefit plans, supplemental executive retirement plans, tax-qualified deferred contribution plans and nonqualified deferred contribution plans. Similarly, we had no contracts, agreements, plans or arrangements, whether written or unwritten, that provide for payments to any named executive officers or any other persons following, or in connection with the resignation, retirement or other termination of a named executive officer, or a change in control of us or a change in a named executive officer' s responsibilities following a change in control. The following table summarizes all compensation earned by or paid to Chief Executive Officer and Financial Officer during two fiscal years ended December 31, 2010 and 2009.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Non-qualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Steven St. Peter,	2010(1)	0	0	0	0	0	0	0	0

President, Director, Principal Executive Officer and Principal Financial Officer	2009	0	0	0	0	0	0	0	0
John Vander Vort, Secretary and Director	2010(1) 2009	0 0	0 0	0 0	0 0	0 0	0 0	0 0	0 0
Richard Lyttle, President, Director, Principal Executive Officer	2010(2) 2009	0 0	0 0	0 0	0 0	0 0	0 0	0 0	0 0
Nick Harvey, Senior Vice President, Director Principal Financial Officer, Treasurer and Secretary	2010(2) 2009	0 0	0 0	0 0	0 0	0 0	0 0	0 0	0 0

Notes:
(1) Resigned in November 2010.
(2) Appointed in November 2010.

By Target Prior to the Merger

The following tables summarize all compensation earned by or paid to Target' Chief Executive and Financial Officer (Principal Executive and Financial Officer) and other named executive officers during the two fiscal years ended December 31, 2010 and 2009, as of May 23, 2011. Target did not have any formal policy for determining the compensation of executive officers. Instead, base salaries for our named executive officers typically are established through arm' s length negotiation at the time the executive is hired. On an annual basis, our board of directors reviews and evaluates, with input from our President and Chief Executive Officer, the need for adjustment of the base salaries of our executives based on changes and expected changes in the scope of an executive' s responsibilities, including promotions, the individual contributions made by and performance of the executive during the prior fiscal year, the executive' s performance over a period of years, overall labor market conditions, the relative ease or difficulty of replacing the executive with a well-qualified person, our overall growth and development as a company and general salary trends in our industry.

Each executive officer is eligible to receive an annual performance-based cash bonus, in an amount up to a fixed percentage of his base salary. At the beginning of each year the board develops with input from our President and Chief Executive Officer a list of corporate goals for the year that would be used as a guideline to assess the annual performance of the executive officers. As soon as practical after the year is completed, the board would review actual performance against the stated goals and determine subjectively what it believes to be the appropriate level of cash bonus. Whether or not a cash bonus is paid is entirely at the discretion of the board of directors.

As a public operating company, we intend to create a compensation committee that will be charged with developing a formal policy for determining and reviewing the compensation of executive officers on a regular basis.

Name and Principal Position	Year	Salary ($)	Bonus ($) (1)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Non-qualified Deferred Compensation Earnings ($)	All Other Compensation ($) (2)	Total ($)
Richard Lyttle, President, Director, and Chief Executive Officer	2010	378,622	189,311	0	0	0	0	1,715	569,648
	2009	369,387	73,877	0	0	0	0	1,584	444,848
Nick Harvey, Treasurer, Secretary and Chief Fianncial Officer and Director	2010	278,492	105,827	0	0	0	0	1,305	385,624
	2009	271,700	40,755	0	0	0	0	851	313,306
Louis O' Dea, Sr. Vice-President and Chief Medical Officer	2010	319,363	130,939	0	0	0	0	1,032	451,334
	2009	311,574	51,410	0	0	0	0	105	363,089
Gary Hattersley, Vice President, Biology & Pharmacology	2010	223,860	69,397	0	0	0	0	240	293,497
	2009	218,400	27,300	0	0	0	0	240	245,940

Notes:

(1) Bonuses related to prior years are shown in same year, even if paid subsequent to year end.

(2) All amounts are attributable to life insurance premiums paid by Radius.

Each of the named executive officers are at-will employees eligible for discretionary bonus and equity incentive awards with certain severance rights discussed further below.

Dr. Lyttle, Mr. Harvey, Mr. Hattersley and Mr. O' Dea have target bonus percentages of 50%, 30%, 25% and 33% respectively. For 2010, each had the opportunity to achieve a bonus of 125% of their respective target bonus by achievement of certain corporate goals. These goals included a successful outcome from the End of Phase 2 meeting with the FDA for BA058 Injection (25% weighting), the successful completion of the Nordic arrangements to manage the BA058 Injection Phase 3 study for the Company (65% weighting), and successful completion of the Phase 1 study for BA058 Microneedle Patch (35% weighting). The Compensation Committee considered management performance against these goals and determined that bonus payments should be made at 125% of each named executive officer' s target bonus percentage.

If his employment is terminated without cause or he resigns for good reason, Dr. Lyttle will receive 12 months salary in severance payments, payable in accordance with the payroll practice then in effect, and for a period of 12 months, the continued payment or subsidy of health insurance benefits to the same extent as being paid or subsidized at the time of termination. Upon a change of control, if not offered a position or terminated within 12 months following the closing, Dr. Lyttle shall be entitled to 18 months salary in severance payments and 50% of his then unvested options will become immediately vested and exercisable. Additionally, if, upon a change of control, certain milestones have not been achieved prior to such change of control and the business plan or objectives of the Company are modified by the successor company such that the expectations of achieving or satisfying such milestones is unreasonable then any unvested options and additional options that would otherwise vest upon achievement of such milestones shall vest effective as of the date the successor company changes or modifies the business plan or objective of the Company.

If his employment is terminated without cause or he resigns with good reason, Mr. Harvey will receive 6 months salary in severance payments, payable in accordance with the payroll practice then in effect, and for a period of 6 months, the continuation of health insurance at no cost to him for 6 months and all options which would have vested in the 6 months following such termination but for such termination shall become immediately exercisable. If the Company is acquired, 50% of his then unvested options will become immediately vested and exercisable.

Following termination of employment without cause, and subject to signing a general release, Mr. Hattersley and Mr. O' Dea are entitled to severance payments equal to 6 months of their then current base salary (minus required withholdings). In addition, if they elect and remain eligible for COBRA coverage during the six month period following the termination of their employment, they are entitled to be reimbursed for the portion of COBRA premium would have been paid by the Company had such person remained employed by Company during such period.

Compensation of Directors

No member of our board of directors received any compensation for services as a director of the Company during the fiscal year ended December 31, 2010. Neither we nor Target has had any formal policy governing the compensation of directors.

During Target' s fiscal year ended December 31, 2010, Target granted to Alan Auerbach options to acquire 256,666 shares of Radius Common Stock at an exercise price of $1.35 per share. The following table summarizes all compensation earned by or paid to Mr. Auerbach in the fiscal year ended December 31, 2010. Mr. Auerbach was not a director of Target in 2009. Mr. Auerbach' s options were assumed by us in the Merger.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)(1)	Non-Equity Incentive Plan Compensation ($)	Non-qualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)(1)
Alan H. Auerbach (Director)	2010	0	0	0	$ 194,040	0	0	0	$ 194,040

(1) The value of the option award was calculated based on 256,666 options outstanding at December 31, 2010 multiplied by the fair value per share of $0.756 that was derived using the Black-Scholes-Merton option pricing model. This model used the following assumptions in valuing the options; expected dividend yield of 0, risk-free interest rate of 1.92%, expected term of 6.25 years, and volatility of 58%.

(2) At December 31, 2010 Mr. Auerbach has 256,666 options outstanding and zero stock awards outstanding.

Grants of Plan-Based Awards and Equity Awards

No plan-based awards or equity awards were granted to any of our or Target' s named executive officers or directors during the fiscal year ended December 31, 2010.

Option Exercises and Stock Vested; Outstanding Equity Awards at Fiscal Year End

No unexercised options or warrants were held by any of our named executive officers at December 31, 2010. No options to purchase our capital stock were exercised by any of our named executive officers, nor was any restricted stock held by such executive officers vested during the fiscal year ended December 31, 2010.

During the fiscal year ended December 31, 2010, no Target options held by named executive officers, director or proposed director were exercised. At the end of such period, the following options (which will be assumed in the Merger by the Company) were held by our named executive officers, directors and proposed Company directors. We assumed all Target options in the Merger:

	Number of Unexercised Securities			
Name	**Exercisable**	**Unexercisable**	**Exercise Price**	**Expiration**
C. Richard Lyttle	101,562	6,770(1)	$ 1.50	10/28/14
	148,605	9,906(1)	$ 0.90	7/12/17
	190,005	12,667(1)	$ 1.20	5/8/18
	80,977	5,398(1)	$ 1.50	12/3/18
Nicholas Harvey	66,711	16,677(2)	$ 0.90	7/12/17
	51,459	11,875(3)	$ 1.20	5/8/18
	13,496	13,496(4)	$ 1.20	12/3/18
Louis O' Dea	13,141	9,500(5)	$ 1.50	2/15/16
	34,622	6,924(6)	$ 0.90	7/12/17
	57,634	13,300(7)	$ 1.20	5/8/18
	15,115	15,115(8)	$ 1.20	12/3/18
Gary Hattersley	10,833	0	$ 1.50	12/16/13
	5,416	0	$ 1.50	2/15/16
	20,804	2,972(9)	$ 0.90	7/12/17
	24,700	5,700(10)	$ 1.20	5/8/18
	6,478	6,478(11)	$ 1.20	12/3/18
Alan Auerbach	0	138,973(12)	$ 1.35	10/12/20
	0	117,693(13)	$ 1.35	10/12/20

(1) These stock options vest on the execution of an out-licensing partnership which the Board of Directors deemed satisfied on the signing of the Clinical Trial Services Agreement with Nordic on March 29, 2011.

(2) These stock options vest on the execution of an out-licensing partnership which the Board of Directors deemed satisfied on the signing of the Clinical Trial Services Agreement with Nordic on March 29, 2011.

(3) These stock options vest as to 3,958 shares (as rounded) on January 1, April 1, July 1 of 2011.

(4) These stock options vest as to 1,687 shares on the first day of each quarter ending October 1, 2012.

(5) These stock options vest on the randomization of the first patient in the Phase 3 study of BA058 Injection which occurred in April 26, 2011.

(6) These stock options vest as to 3,462 shares on January 1 and April 1 of 2011.

(7) These stock options vest as to 4,433 shares (as rounded) on January 1, April 1, July 1 of 2011.

(8) These stock options vest as to 1,889 shares (as rounded) on the first day of each quarter ending October 1, 2012.

(9) These stock options vest as to 1,486 shares on January 1 and April 1 of 2011.

(10) These stock options vest as to 1,900 shares on January 1, April 1, July 1 of 2011.

(11) These stock options vest as to 809 shares (as rounded) on the first day of each quarter ending October 1, 2012.

(12) These stock options vest as to 11,581 shares (as rounded) on the first day of each quarter ending October 1, 2013.

(13) These stock options vest as to 9,808 shares (as rounded) on the first day of each quarter ending October 1, 2013.

2003 Long-Term Incentive Plan

Generally, In the Merger, we assumed the Target' s 2003 Long-Term Incentive Plan (the "Incentive Plan") and all options to acquire common stock of Target issued thereunder. The plan is intended to assist us and our affiliates in attracting and retaining employees and consultants of outstanding ability and to promote the identification of their interests with those of our stockholders and our affiliates. Under the plan, we are authorized to issue incentive stock options, nonstatutory stock options, rights, incentive stock grants, performance stock grants and restricted stock. Only incentive stock options and non-statutory stock options have been granted under the plan. We have 1,319,682 options issued and unexercised, 998,254 of which are vested. The Company has the right to issue additional awards under the plan for an aggregate of 315,194 shares of Common Stock. If an option or right expires or terminates for any reason (other than termination by virtue of the exercise of a related option or related right, as the case may be) without having been fully exercised, if shares of restricted stock are forfeited, or if shares covered by an incentive share award or performance award are not issued or are forfeited, the unissued or forfeited shares that had been subject to the award become available for the grant of additional awards.

Administration. The compensation committee of the board of directors administers the incentive plan. In the event that there is no compensation committee, the board of directors administers the plan. The committee or the board may delegate authority to administer the incentive plan to any other committee. Subject to the terms of the incentive plan, the plan administrator (the board or its authorized committee) selects the recipients of awards and determine the:

- number of shares of common stock covered by the awards and the dates upon which such awards become exercisable or any restrictions lapse, as applicable;
- type of award and the price and method of payment for each such award;
- vesting period for options and restricted stock, and any acceleration;
- exercise price or purchase price of awards; and
- duration of options.

Incentive Stock Options. Incentive stock options are intended to qualify as incentive stock options under Section 422 of the Internal Revenue Code and are granted pursuant to incentive stock option agreements. The plan administrator determines the exercise price for an incentive stock option, which may not be less than 100% of the fair market value of the stock underlying the option determined on the date of grant. Notwithstanding the foregoing, incentive options granted to employees who own, or are deemed to own, more than 10% of our voting stock, must have an exercise price not less than 110% of the fair market value of the stock underlying the option determined on the date of grant.

Nonstatutory Stock Options. Nonstatutory stock options are granted pursuant to nonstatutory stock option agreements. The plan administrator determines the exercise price for a nonstatutory stock option.

Vesting. Options granted under the plan generally vest in sixteen (16) quarterly installments, each quarterly installment being equal in number of shares as possible (as determined by the Company in its reasonable discretion), with the first quarterly installment vesting one

quarter after the date of the grant, and an additional quarterly installment vesting on the first day of each calendar quarter thereafter, until all of the shares subject to the option are fully vested and the option may be exercised as to 100% of the shares issuable upon exercise thereof.

Rights. Stock appreciation rights are granted pursuant to award agreements. Rights may be granted under the plan (a) in connection with, an at the same time as, the grant of an option under the plan, (b) by amendment of an outstanding option granted under the plan, or (c) independent of any option granted under the plan. A rights granted under the plan in relation to an option granted under the plan are referred to as a related right. Upon exercise, in whole or in part, the holder is entitled to receive either cash or that number of shares, or a combination thereof, in an amount having an aggregate fair market value, as determined under the plan, as of the exercise date not to exceed the number of shares subject to the portion of the right exercised multiplied by an amount equal to the excess of (x) the fair market value of the right as of the exercise date over (b) either (i) the fair market value on the grant date if the right is not a related right or (ii) the exercise price of the related option if the right is a related right. The exercise, in whole or in part, of a related right reduces the number of shares subject to the related option and an exercise of a related options will reduce the number of shares subject to the related right.

Restricted Stock Awards. Restricted stock awards are granted pursuant to restricted stock award agreements. The purchase price for restricted stock awards are determined by the plan administrator. Restricted stock awards may be subject to a repurchase right in accordance with a vesting schedule determined by the plan administrator.

Performance Awards. Performance awards are granted pursuant award agreements that provide for the payment of cash and/or issuance of shares on terms and conditions determined by the plan administrator.

Other Equity Awards. The plan administrator may grant other awards based in whole or in part by reference to our common stock.

Changes to Capital Structure. In the event of certain types of changes in our capital structure, such as a share split, the number of shares reserved under the plan and the number of shares and exercise price or strike price, if applicable, of all outstanding awards will be appropriately adjusted.

Dividends. Any award under the plan may confer upon the recipient the right to receive dividend payments or dividend equivalent payments with respect to the shares subject to the award. Such dividend payments may be paid currently or credited to an account in favor of the recipient. Such dividends may be settled in cash or shares, as determined by the plan administrator.

Employment Agreements

Each of the named executive officers are at-will employees eligible for discretionary bonus and equity incentive awards with certain severance rights discussed further below. The Target entered into at-will employment agreements with each of the named executive officers on the date set forth next to such officer' s name below. The table below also sets forth for each of the named executive officers such officer' s initial salary. The initial salary of each named executive officer has been reviewed and adjusted on an annual basis in accordance with procedures established from time to time by the Company' s board of directors. Each agreement, provides that such named executive officer is eligible to receive annual performance bonuses. See, "Summary Compensation Table−By the Former Operating Company prior to the Merger" for the current base salary and annual performance bonus target for each named executive officer.

Name:	Agreement Date	Initial Base Salary
Richard Lyttle	July 2, 2004	$ 300,000
Nick Harvey	November, 15, 2006	$ 250,000
Louis O' Dea	January 30, 2006	$ 279,000
Gary Hattersley	November 14, 2003	$ 130,000

Mr. Harvey' s agreement provides for indemnification against all liabilities, claims, damages, costs and expenses arising from his serving as an officer. The agreements provided for initial stock option grants and vesting, all of w

Potential Payments upon Termination or Change in Control

If his employment is terminated without cause or he resigns for good reason, Dr. Lyttle will receive 12 months salary in severance payments, payable in accordance with the payroll practice then in effect, and for a period of 12 months, the continued payment or subsidy of health insurance benefits to the same extent as being paid or subsidized at the time of termination. Upon a change of control, if not offered a position or terminated within 12 months following the closing, Dr. Lyttle shall be entitled to 18 months salary in severance payments and 50% of his then unvested options will become immediately vested and exercisable. Additionally, if, upon a change of control, certain milestones have not been achieved prior to such change of control and the business plan or objectives of the Company are modified by the successor company such that the expectations of achieving or satisfying such milestones is unreasonable then any unvested options and additional options that would otherwise vest upon achievement of such milestones shall vest effective as of the date the successor company changes or modifies the business plan or objective of the Company.

If his employment is terminated without cause or he resigns with good reason, Mr. Harvey will receive 6 months salary in severance payments, payable in accordance with the payroll practice then in effect, and for a period of 6 months, the continuation of health insurance at no cost to him for 6 months and all options which would have

vested in the 6 months following such termination but for such termination shall become immediately exercisable. If the Company is acquired, 50% of his then unvested options will become immediately vested and exercisable.

Following termination of employment without cause, and subject to signing a general release, Mr. Hattersley and Mr. O' Dea are entitled to severance payments equal to 6 months of their then current base salary (minus required withholdings). In addition, they elect and remain eligible for COBRA coverage during the such six month period, they are entitled to be reimbursed for the portion of COBRA premium would have been paid by the Company had such person remained employed by Company during such period.

Estimated Benefits and Payments Upon Termination of Employment

The following table describes the potential payments and benefits upon termination of our named executive officers' employment before or after a change in control of our company as described above, as if each officer' s employment terminated as of December 31, 2010, the last business day of the 2010 fiscal year.

Name	Benefit	Termination Other than for Cause after a Change in Control	Termination Other than for Cause not in a Change of Control
Rich Lyttle	Severance	$ 567,933	378,622
	Option Acceleration	$ 3,584	0
	COBRA Premiums	$ 25,691(1)	17,127(1)
	Vacation Payout	$ 14,562	14,562
	Total Value	$ 611,770	410,311
Nick Harvey	Severance	$ 139,246	139,246
	Option Acceleration	$ 5,655	1,694
	COBRA Premiums	$ 10,382	12,845
	Vacation Payout	$ 10,711	10,711
	Total Value	$ 168,457	164,496
Louis O' Dea	Severance	$ 159,682	159,682
	Option Acceleration	$ 0	0
	COBRA Premiums	$ 10,382	10,919

	Vacation Payout	$	12,283	12,283
	Total Value	$	182,884	182,884
Gary Hattersley	Severance	$	111,930	111,930
	Option Acceleration	$	0	0
	COBRA Premiums	$	10,919(2)	10,919(2)
	Vacation Payout	$	8,527	8,527
	Total Value	$	131,376	131,376

(1) Dr. Lyttle is not currently enrolled in our medical plan. Dr Lyttle is eligible to enroll in our medical plan upon his enrollment would be entitled to this amount in the event of his termination without cause

(2) Mr. Hattersley is not currently enrolled in our medical or dental plans. Mr Hattersley is eligible to enroll in such plans upon his enrollment would be entitled to this amount in the event of his termination without cause.

For purposes of valuing the severance and vacation payments in the table above, we used each executive officer' s base salary in effect at the end of 2010 and the number of accrued but unused vacation days at the end of 2010.

The value of option acceleration shown in the table above was calculated based on the assumption that the officer' s employment was terminated and the change in control (if applicable) occurred on December 31, 2010 and that the fair market value of our common stock on that date was $1.35. The value of the vesting acceleration was calculated by multiplying the number of unvested shares subject to each option by the difference between the fair market value of our common stock as of December 31, 2010 and the exercise price of the option.

Pension Benefits

No named executive officers received or held pension benefits during the fiscal year ended December 31, 2010.

Nonqualified Deferred Compensation

No nonqualified deferred compensation was offered or issued to any named executive officer during the fiscal year ended December 31, 2010.

Compensation Committee Interlocks and Insider Participation

We do not have a Compensation Committee. All compensation matters are approved by the full Board.

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth (i) each person known by the Company to be the beneficial owner calculated in accordance with Rule 13d-3(d)(1) promulgated under the Exchange Act of more than 5% of the outstanding shares of Common Stock, (ii) each director and executive officer of the Company and (iii) all officers and directors as a group. Unless otherwise stated in the table or its footnotes, the person and entities listed below have the sole voting power and investment power with respect to the shares set forth next to one' s name. Unless otherwise noted, the address of each stockholder below is c/o Radius Health, Inc., 201 Broadway, 6th Floor Cambridge, MA 02139.

Name, (Title) and Address	Shares Beneficially Owned	Title of Class	Percentage of Class (1)(a)	Percentage of Converted Common Shares(1)(b)

C. Richard Lyttle, Ph.D. (Chief Executive Officer, President and Director)	521,152(2)	Common Stock	51.60%	
		Converted Common Shares		3.16%
Nick Harvey (Chief Financial Officer, Treasurer, and Secretary)	148,604(3)	Common Stock	22.04%	
		Converted Common Shares		0.92%
Louis O' Dea	185,117(4)	Common Stock	26.02%	
		Converted Common Shares		1.14%
Gary Hattersley	79,335(5)	Common Stock	12.50%	
		Converted Common Shares		0.49%
Dr. Ansbert Gadicke (Director)	6,563,550(6)	Common Stock	92.20%	
	200,909(7)	Series A-1 Preferred Stock	48.62%	
	402,115(8)	Series A-2 Preferred Stock	40.90%	
	53,331(9)	Series A-3 Preferred Stock	37.50%	
		Converted Common Shares		40.90%
Alan H. Auerbach (Director)	64,166(10)	Common Stock	10.35%	
		Converted Common Shares		0.40%
Jonathan Fleming (Director)	1,364,834(11)	Common Stock	71.64%	
	109,718(12)	Series A-2 Preferred Stock	11.16%	
	25,233(13)	Series A-3 Preferred Stock	17.74%	
		Converted Common Shares		8.51%
Kurt Graves (Director)	0		0	
Dr. Martin Muenchbach (Director)	1,487,580(14)	Common Stock	72.81%	
	43,596(15)	Series A-1 Preferred	10.55%	

	105,162(16)	Series A-2 Preferred	10.70%	
		Converted Common Shares		9.27%
Elizabeth Stoner (Director)	0		0	
Entities Affiliated with: MPM Bioventures III, L.P. c/o MPM Capital 200 Carendon St 54th Fl. Boston,MA 02116	6,563,550(17)	Common Stock	92.20%	
	200,909(18)	Series A-1 Preferred	48.62%	
	402,115(19)	Series A-2 Preferred	40.90%	
	53,331(20)	SeriesA-3Preferred	37.50%	
		Converted Common Shares		40.90%
The Wellcome Trust Limited as trustee of The Wellcome Trust				

215 Euston Road	2,358,470(21)	Common Stock	80.93%	
London NW1 2BE	25,522(22)	Series A-1 Preferred Stock	6.18%	
England	210,325	Series A-2 Preferred Stock	21.39%	
		Converted Common Shares		14.70%
HealthCare Ventures VII, L.P.	1,815,920(23)	Common Stock	80.08%	
55 Cambridge Parkway, Suite 102	19,651(24)	Series A-1 Preferred Stock	4.76%	
Cambridge, Massachusetts 02142-1234	98,278	Series A-2 Preferred Stock	10.00%	
	63,663	Series A-3 Preferred Stock	44.76%	
		Converted Common Shares		11.83%
Entities Affiliated with:				
Saints Captial VI, L.P.	1,528,584(25)	Common Stock	73.89%	
475 Sansome Street	16,375(26)	Series A-1 Preferred Stock	3.96%	
Suite 1850	109,718(27)	Series A-2 Preferred Stock	11.16%	
San Francisco, CA 94111	25,233(28)	Series A-3 Preferred Stock	17.74%	
		Converted Common Shares		9.53%
BB Biotech Ventures II, L.P.				
Traflagar Court				
Les Banques				
St. Peter Port				
Guernsey	1,487,580(29)	Common Stock	72.81%	
Channel Islands	43,596(30)	Series A-1 Preferred Stock	10.55%	
GY1 3QL	105,162	Series A-2 Preferred Stock	10.70%	
		Converted Common Shares		9.27%
Entities Affiliated with:				
Oxford Bioscience Partners				
222 Berkley Street	1,364,834(31)	Common Stock	71.64%	
Suite 1650	109,718(32)	Series A-2 Preferred Stock	11.16%	
Boston, MA 02116	25,233(33)	Series A-3 Preferred Stock	17.74%	
		Converted Common Shares		8.51%

Healthcare Private Equity Limited				
Partnership				
Edinburgh One				
Morrison Street	628,910(34)	Common Stock	53.09%	
Edinburgh EH3 8BE	6,805	Series A-1 Preferred Stock	1.65%	
U.K	56,086	Series A-2 Preferred Stock	5.70%	
		Converted Common Shares		3.92%
Brookside Capital Partners Fund, L.P.				
Bain Capital, LLC				
111 Huntington Avenue	409,400(35)	Common Stock	42.43%	
Boston, MA 02199	40,940	Series A-1 Preferred Stock	9.91%	
		Converted Common Shares		2.55%

BB Biotech Growth N.V. Asset Management BAB N.V. Ara Hill Top Building, Unit A-5 Pletterijweg Oost 1 Curaçao, Dutch Caribbean	409,400(36) 40,940	Common Stock Series A-1 Preferred Stock Converted Common Shares	42.43% 9.91%	2.55%
Ipsen Pharma S.A.S 65, quai Georges Gorse 92100 Boulogne Billancourt France	173,260(37) 17,326	Common Stock Series A-1 Preferred Stock Converted Common Shares	23.77% 4.19%	1.08%
Stavros C. Manolagas 35 River Ridge Circle Little Rock, AR 72227	91,040	Common Stock Converted Common Shares Converted Common Shares	16.39%	0.57%
Nordic Bioscience Herlev Hovedgade 207 2730 Herlev Denmark	64,430(38) 6,443	Common Stock Series A-5 Preferred Stock Converted Common Shares	10.39% 100%	0.40%
Michael Rosenblatt 130 Lake Ave Newton, MA 02459	46,664	Common Stock Converted Common Shares Converted Common Shares	8.40%	0.29%
John Katzenellenbogen Trust 704 West Pennsylvania Avenue				

Urbana, Illinois 61801	49,399(39)	Common Stock Converted Common Shares	8.89	0.31%
Chris Miller 11Edgar Walker Court Hingham, MA 02043	33,355	Common Stock Converted Common Shares	6.00	0.21%
Bart Henderson 48 Prentiss Lane Belmont, MA 02478	30,468	Common Stock Converted Common Shares	5.48	0.19%

All Officers and Directors as a group (10 individuals)(44)	10,414,333	Common Stock	96.04	
		Converted Common Shares		61.55%

(1)(a) Because shares of Preferred Stock vote together with Common Stock on an as-converted basis the percentages of beneficial ownership calculated in accordance with Rule 13d-3(d)(1) promulgated under the Exchange Act and reported in this column do not reflect the beneficial owner' s voting percentage of our outstanding capital stock. See Note (1)(b).

(1)(b) A more accurate reflection of the each beneficial owner' s voting percentage is their percentage of the Preferred Stock and the Common Stock voting together as a single class (the "Converted Common Stock"), assuming the conversion of all issued and outstanding shares of Preferred Stock. In order to provide accurate disclosure of the relevant beneficial ownership percentage of each beneficial owner included in this table we have set forth each such beneficial owner' s ownership percentage (calculated in accordance with Rule 13d-3 of the Exchange Act) of the Converted Common Stock in this column. See Note (1)(a).

(2) Includes 454,486 options to purchase our Common Stock anticipated to be exercisable within 60 days after May 23, 2011.

(3) Includes 118,604 options to purchase our Common Stock anticipated to be exercisable within 60 days after May 23, 2011.

(4) Includes 155,910 options to purchase our Common Stock anticipated to be exercisable within 60 days after May 23, 2011.

(5) Includes 79,332 options to purchase our Common Stock anticipated to be exercisable within 60 days after May 23, 2011.

(6) Includes 82,220 shares of Common Stock issuable upon conversion of 8,222 shares of Company Series A-1 Preferred Stock, 121,940 shares of Common Stock issuable upon conversion of 12,194 shares of Company Series A-2 Preferred Stock, 29,850 shares of Common Stock issuable upon conversion of 2,985 shares of Company Series A-3 Preferred Stock issued to MPM BioVentures III, L.P. ("BV III"), in the Merger; 1,222,900 shares of Common Stock issuable upon conversion of 122,290 shares of Company Series A-1 Preferred Stock, 1,813,640 shares of Common Stock issuable upon conversion of 181,364 shares of Company Series A-2 Preferred Stock, and 443,950 shares of Common Stock issuable upon conversion of 44,395 shares of Company Series A-3 Preferred Stock issued to MPM BioVentures III-QP, L.P. ("BV III

QP"), in the Merger; 103,350 shares of Common Stock issuable upon conversion of 10,335 shares of Company Series A-1 Preferred Stock, 153,270 shares of Common Stock issuable upon conversion of 15,327 shares of Company Series A-2 Preferred Stock, and 37,520 shares of Common Stock issuable upon conversion of 3,752 shares of Company Series A-3 Preferred Stock issued to MPM BioVentures III GmbH & Co. Beteiligungs K.G. ("BV III KG"), in the Merger; 36,930 shares of Common Stock issuable upon conversion of 3,693 shares of Company Series A-1 Preferred Stock, 54,770 shares of Common Stock issuable upon conversion of 5,477 shares of Company Series A-2 Preferred Stock, and 13,400 shares of Common Stock issuable upon conversion of 1,340 shares of Company Series A-3 Preferred Stock issued to MPM BiVentures III Parallel Fund, L.P. ("BV III PF"), in the Merger; 23,680 shares of Common Stock issuable upon conversion of 2,368 shares of Company Series A-1 Preferred Stock, 35,110 shares of Common Stock issuable upon conversion of 3,511 shares of Company Series A-2 Preferred Stock, and 8,590 shares of Common Stock issuable upon conversion of 859 shares of Company Series A-3 Preferred Stock issued to MPM Asset Management Investors 2003 BVIII LLC ("AM LLC") in the Merger; 540,010 shares of Common Stock issuable upon conversion of 54,001 shares of Company Series A-1 Preferred Stock, and 1,842,420 shares of Common Stock issuable upon conversion of 184,242 shares of Company Series A-2 Preferred Stock issued to MPM Bio IV NVS Strategic Fund, L.P. ("MPM NVS") in the Merger. Additionally, BV III has committed to purchase an aggregate of 6,874 shares of Company Series A-1 Preferred Stock at two subsequent closings, BV III QP has committed to purchase an aggregate of 102,238 shares of Company Series A-1 Preferred Stock at two subsequent closings, BV III KG has committed to purchase an aggregate of 8,640 shares of Company Series A-1 Preferred Stock at two subsequent closings, BV III PF has committed to purchase an aggregate of 3,087 shares of Company Series A-1 Preferred Stock at two subsequent closings, AM LLC has committed to purchase an aggregate of 1,979 shares of Company Series A-1 Preferred Stock

at two subsequent closings, and MPM NVS has committed to purchase an aggregate of 60,536 shares of Company Series A-1 Preferred Stock at two subsequent closings. MPM BioVentures III GP, L.P. ("BV III LP") and MPM BioVentures III LLC ("BV3LLC"), are the direct and indirect general partners of BV III, BV III QP, BV III KG, and BV III PF. MPM BioVentures IV GP LLC ("BV IV GP") and MPM BioVentures IV LLC ("BV4LLC") are the direct and indirect general partners of MPM NVS. BV3LLC is the General Partner of BV III LP. Ansbert Gadicke, Luke Evnin, Nicholas Galakatos, Michael Steinmetz, Dennis Henner, Nicholas Simon and Kurt Wheeler are the Members of BV3LLC and the managers of AM LLC. All members of BV3LLC share all power to vote, acquire, hold and dispose of all shares and warrants. Each member disclaims beneficial ownership of the securities except to the extent of their pecuniary interest therein. BV4LLC is the Managing Member of BV IV GP. Ansbert Gadicke, Luke Evnin, John Vander Vort, William Greene, James Scopa, Vaughn Kailian and Steven St. Peter are the Members of MPM BioVentures IV LLC. All members share all power to vote, acquire, hold and dispose of all shares and warrants. Each member disclaims beneficial ownership of the securities except to the extent of their pecuniary interest therein. Each entity mentioned above and Dr. Gadicke disclaim beneficial ownership of all shares not held by it or him of record. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by BV III, BV III QP, BV III KG, BV III PF, AM LLC, MPM NVS, Luke Evnin, Ansbert Gadicke, Nicholas Galakatos, Michael Steinmetz, Kurt Wheeler, Nicholas Simon III, Dennis Henner, Ashley L. Dombkowski, William Greene, Vaughn Kailian, James Paul Scopa, Steven St. Peter, and John Vander Vort.

(7) Includes of 8,222 shares of Company Series A-1 Preferred Stock issued to BV III in the Merger; 122,290 shares of Company Series A-1 Preferred Stock issued to BV III QP in the Merger; 10,335 shares of Company Series A-1 Preferred Stock, issued to BV III KG in the Merger; 3,693 shares of Company Series A-1 Preferred Stock issued to BV III PF in the Merger; 2,368 shares of Company Series A-1 Preferred Stock issued to AM LLC in the Merger; and 54,001 shares of Company Series A-1 Preferred Stock issued to MPM NVS in the Merger. BV III LP and BV3LLC, are the direct and indirect general partners of BV III, BV III QP, BV III KG, and BV III PF. BV IV GP and BV4LLC are the direct and indirect general partners of MPM NVS. BV3LLC is the General Partner of BV III LP. Ansbert Gadicke, Luke Evnin, Nicholas Galakatos, Michael Steinmetz, Dennis Henner, Nicholas Simon and Kurt Wheeler are the Members of BV3LLC and the managers of AM LLC. All members share all power to vote, acquire, hold and dispose of all shares and warrants. Each member disclaims beneficial ownership of the securities except to the extent of their pecuniary interest therein. BV4LLC is the Managing Member of BV IV GP. Ansbert Gadicke, Luke Evnin, John Vander Vort, William Greene, James Scopa, Vaughn Kailian and Steven St. Peter are the Members of MPM BioVentures IV LLC. All members share all power to vote, acquire, hold and dispose of all shares and warrants. Each member disclaims beneficial ownership of the securities except to the extent of their pecuniary interest therein. Each entity mentioned above and Dr. Gadicke disclaim beneficial ownership of all shares not held by it or him of record. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by BV III, BV III QP, BV III KG, BV III PF, AM LLC, MPM NVS, Luke Evnin, Ansbert Gadicke, Nicholas Galakatos, Michael Steinmetz, Kurt Wheeler, Nicholas Simon III, Dennis Henner, Ashley L. Dombkowski, William Greene, Vaughn Kailian, James Paul Scopa, Steven St. Peter, and John Vander Vort.

(8) Includes 12,194 shares of Company Series A-2 Preferred Stock issued BV III in the Merger; 181,364 shares of Company Series A-2 Preferred Stock issued to BV III QP in the Merger, 15,327 shares of Company Series A-2 Preferred Stock issued BV III KG in the Merger; 5,477 shares of Company Series A-2 Preferred Stock issued to BV III PF in the Merger; 3,511 shares of Company Series A-2 Preferred Stock issued to AM LLC in the Merger; and 184,242 shares of Company Series A-2 Preferred Stock issued to MPM NVS in the Merger.

BV III LP and BV3LLC, are the direct and indirect general partners of BV III, BV III QP, BV III KG, and BV III PF. BV IV GP and BV4LLC are the direct and indirect general partners of MPM NVS. BV3LLC is the General Partner of BV III LP. Ansbert Gadicke, Luke Evnin, Nicholas Galakatos, Michael Steinmetz, Dennis Henner, Nicholas Simon and Kurt Wheeler are the Members of BV3LLC and the managers of AM LLC. All members share all power to vote, acquire, hold and dispose of all shares and warrants. Each member disclaims beneficial ownership of the securities except to the extent of their pecuniary interest therein. BV4LLC is the Managing Member of BV IV GP. Ansbert Gadicke, Luke Evnin, John Vander Vort, William Greene, James Scopa, Vaughn Kailian and Steven St. Peter are the Members of MPM BioVentures IV LLC. All members share all power to vote, acquire, hold and dispose of all shares and warrants. Each member disclaims beneficial ownership of the securities except to the extent of their pecuniary interest therein. Each entity mentioned above and Dr. Gadicke disclaim beneficial ownership of all shares not held by it or him of

record. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by BV III, BV III QP, BV III KG, BV III PF, AM LLC, MPM NVS, Luke Evnin, Ansbert Gadicke, Nicholas Galakatos, Michael Steinmetz, Kurt Wheeler, Nicholas Simon III, Dennis Henner, Ashley L. Dombkowski, William Greene, Vaughn Kailian, James Paul Scopa, Steven St. Peter, and John Vander Vort.

(9) Includes 2,985 shares of Company Series A-3 Preferred Stock issued to BV III in the Merger; 44,395 shares of Company Series A-3 Preferred Stock issued to BV III QP, in the Merger; 3,752 shares of Company Series A-3 Preferred Stock issued to BV III KG, in the Merger; 1,340 shares of Company Series A-3 Preferred Stock issued to BV III PF, in the Merger; and 859 shares of Company Series A-3 Preferred Stock issued to AM LLC in the Merger. BV III LP and BV3LLC, are the direct and indirect general partners of BV III, BV III QP, BV III KG, and BV III PF. BV IV GP and BV4LLC are the direct and indirect general partners of MPM NVS. BV3LLC is the General Partner of BV III LP. Ansbert Gadicke, Luke Evnin, Nicholas Galakatos, Michael Steinmetz, Dennis Henner, Nicholas Simon and Kurt Wheeler are the Members of BV3LLC and the managers of AM LLC. All members share all power to vote, acquire, hold and dispose of all shares and warrants. Each member disclaims beneficial ownership of the securities except to the extent of their pecuniary interest therein. BV4LLC is the Managing Member of BV IV GP. Ansbert Gadicke, Luke Evnin, John Vander Vort, William Greene, James Scopa, Vaughn Kailian and Steven St. Peter are the Members of MPM BioVentures IV LLC. All members share all power to vote, acquire, hold and dispose of all shares and warrants. Each member disclaims beneficial ownership of the securities except to the extent of their pecuniary interest therein. Each entity mentioned above and Dr. Gadicke disclaim beneficial ownership of all shares not held by it or him of record. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by BV III, BV III QP, BV III KG, BV III PF, AM LLC, MPM NVS, Luke Evnin, Ansbert Gadicke, Nicholas Galakatos, Michael Steinmetz, Kurt Wheeler, Nicholas Simon III, Dennis Henner, Ashley L. Dombkowski, William Greene, Vaughn Kailian, James Paul Scopa, Steven St. Peter, and John Vander Vort.

(10) Consists of 64,166 options to purchase our Common Stock anticipated to be exercisable within 60 days after May 23, 2011.

(11) Includes 15,173 shares of Common Stock and 1,086,280 shares of Common Stock issuable upon conversion of 108,628 shares of Company Series A-2 Preferred Stock, 249,830 shares of Common Stock issuable upon conversion of 24,983 shares of Company Series A-3 Preferred Stock (the "OBP IV Shares") held directly by OBP IV-Holdings LLC. ("OBP IV"); and 151 shares of Common Stock and 10,900 shares of Common Stock issuable upon conversion of 1,090 shares of Company Series A-2 Preferred Stock, 2,500 shares of Common Stock issuable upon conversion of 250 shares of Company Series A-3 Preferred Stock (the "mRNA II Shares") held directly by mRNA II-Holdings LLC. ("mRNA II"). The OBP IV Shares and the mRNA II Shares are referred to herein as the "Oxford Shares." The OBP IV Shares are indirectly held by Oxford Bioscience Partners IV L.P. ("OBP LP"), a member of OBP IV. The mRNA II Shares are indirectly held by mRNA Fund II L.P. ("mRNA LP"), a member of mRNA II. The Oxford Shares are indirectly held by OBP Management IV L.P. ("OBP Management IV"), the sole general partner of each of OBP LP and mRNA LP; Jonathan Fleming and Alan Walton, the individual general partners of OBP Management IV; Saints Capital Granite, L.P. ("Saints LP"), a member of OBP IV and mRNA II; Saints Capital Granite, LLC ("Saints LLC"), the sole general partner of Saints LP; and Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer, the individual managers of Saints LLC. Jonathan Fleming and Alan Walton, the individual general partners of OBP Management IV, share all voting and investment power on behalf of OBP Management IV. Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer, the individual managers of Saints LLC, share all voting and investment power on behalf of Saints LLC. Each of the entities and individuals mentioned above disclaim beneficial ownership within the meaning of Section 16 of the Securities Exchange Act of 1934, as amended, or otherwise of such portion of the Oxford Shares in which such entity or individual has no actual pecuniary interest therein. Mr. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by OBP IV, mRNA II, mRNA Fund II, OBP Management IV, Saints LP, Saints LLC, Jonathan Fleming, Alan Walton, Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer.

(12) Includes 108,628 shares of Company Series A-2 Preferred Stock held directly by OBP IV (the "OBP IV A-2 Shares") and 1,090 shares of Company Series A-2 Preferred Stock held directly by mRNA II (the "mRNA II A-2 Shares"). The OBP IV A-2 Shares are indirectly held by OBP LP, a member of OBP IV. The mRNA II A-2 Shares are indirectly held by mRNA LP, a member of mRNA II. The OBP IV A-2 Shares and the mRNA II A-2 Shares are referred to herein as the "Oxford A-2 Shares". The Oxford A-2 Shares are indirectly held by OBP Management IV, the sole general partner of each of OBP LP and mRNA LP; Jonathan Fleming and Alan

Walton, the individual general partners of OBP Management IV; Saints LP, a member of OBP IV and mRNA II; Saints LLC, the sole general partner of Saints LP; and Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer, the individual managers of Saints LLC. Jonathan Fleming and Alan Walton, the individual general partners of OBP Management IV, share all voting and investment power on behalf of OBP Management IV. Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer, the individual managers of Saints LLC, share all voting and investment power on behalf of Saints LLC. Each of the entities and individuals mentioned above disclaim beneficial ownership within the meaning of Section 16 of the Securities Exchange Act of 1934, as amended, or otherwise of such portion of the Saints A-2 Shares in which such entity or individual has no actual pecuniary interest therein. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by OBP IV, mRNA II, mRNA Fund II, OBP Management IV, Saints LP, Saints LLC, Jonathan Fleming, Alan Walton, Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer.

(13) Includes 24,983 shares of Company Series A-3 Preferred Stock held directly by OBP IV (the "OBP IV A-3 Shares") and 250 shares of Company Series A-3 Preferred Stock held directly by mRNA II (the

"mRNA II A-3 Shares"). The OBP IV A-3 Shares are indirectly held by OBP LP, a member of OBP IV. The mRNA II A-3 Shares are indirectly held by mRNA LP, a member of mRNA II. The OBP IV A-3 Shares and the mRNA II A-3 Shares are referred to herein as the "Oxford A-3 Shares". The Oxford A-3 Shares are indirectly held by OBP Management IV, the sole general partner of each of OBP LP and mRNA LP; Jonathan Fleming and Alan Walton, the individual general partners of OBP Management IV; Saints LP, a member of OBP IV and mRNA II; Saints LLC, the sole general partner of Saints LP; and Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer, the individual managers of Saints LLC. Jonathan Fleming and Alan Walton, the individual general partners of OBP Management IV, share all voting and investment power on behalf of OBP Management IV. Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer, the individual managers of Saints LLC, share all voting and investment power on behalf of Saints LLC. Each of the entities and individuals mentioned above disclaim beneficial ownership within the meaning of Section 16 of the Securities Exchange Act of 1934, as amended, or otherwise of such portion of the Saints A-3 Shares in which such entity or individual has no actual pecuniary interest therein. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by OBP IV, mRNA II, mRNA Fund II, OBP Management IV, Saints LP, Saints LLC, Jonathan Fleming, Alan Walton, Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer.

(14) Includes 435,960 shares of Common Stock issuable upon conversion of 43,596 shares of Company Series A-1 Preferred Stock (the "BBBV LP A-1 Preferred Stock"), and 1,051,620 shares of Common Stock issuable upon conversion of 105,162 shares of Company Series A-2 Preferred Stock (together with the BBBV LP A-1 Preferred Stock the "BBBV LP Shares") issued to BB Biotech Ventures II L.P. ("BBBV LP") in the Merger. Additionally, BBBV LP has committed to purchase an aggregate of 40,940 shares of Company Series A-1 Preferred Stock at two subsequent closings. BB Biotech Ventures GP (Guernsey) Limited ("BBBV Limited") is the General Partner of BBBV LP. Jan Bootsma, Pascal Mahieux, and Ben Morgan are the directors of BBBV Limited. Dr. Muenchbach, the Senior Investment Advisor Private Equity at Bellevue Asset Management AG, advises Asset Management BAB N.V. ("AMB NV") who, pursuant to a services agreement with BAM AG, advises the directors of BBBV Limited mentioned above. Jan Bootsma, Pascal Mahieux, Ben Morgan and Dr. Muenchbach share all voting and investment power the BBBV LP shares. Each of the foregoing, except BBBV LP in the case of the BBBV LP Shares, disclaims beneficial ownership of the BBBV LP Shares except to the extent of their pecuniary interest therein, if any. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by BBBV LP, BBBV Limited, Jan Bootsma, Pascal Mahieux, Ben Morgan, and Martin Muenchbach.

(15) Includes 43,596 shares of Company Series A-1 Preferred Stock issued to BBBV LP in the Merger. BBBV LP has committed to purchase an aggregate of 40,940 shares of Company Series A-1 Preferred Stock at two subsequent closings. Voting and investment power with respect to these shares is held by the general partner of this fund. BBBV Limited is the General Partner of BBBV LP. Jan Bootsma, Pascal Mahieux, and Ben Morgan are the directors of BBBV Limited. Dr . Muenchbach, the Senior Investment Advisor Private Equity at Bellevue Asset Management AG, advises AMB NV who, pursuant to a services agreement with BAM AG, advises the directors of BBBV Limited mentioned above. Jan Bootsma, Pascal Mahieux, Ben Morgan and Dr. Muenchbach share all voting

and investment power the BBBV LP shares. Each of the foregoing, except BBBV LP in the case of the BBBV LP Shares, disclaims beneficial ownership of the BBBV LP Shares except to the extent of their pecuniary interest therein, if any. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by BBBV LP, BBBV Limited, Jan Bootsma, Pascal Mahieux, Ben Morgan, and Martin Muenchbach.

(16) Includes 105,162 shares of Company Series A-2 Preferred Stock issued to BBBV LP in the Merger. Voting and investment power with respect to these shares is held by the general partner of this fund. BBBV Limited is the General Partner BBBV LP. Jan Bootsma, Pascal Mahieux, and Ben Morgan are the directors of BBBV Limited. Dr. Muenchbach, the Senior Investment Advisor Private Equity at Bellevue Asset Management AG, advises AMB NV who, pursuant to a services agreement with BAM AG, advises the directors of BBBV Limited mentioned above. Jan Bootsma, Pascal Mahieux, Ben Morgan and Dr. Muenchbach share all voting and investment power the BBBV LP shares. Each of the foregoing, except BBBV LP in the case of the BBBV LP Shares, disclaims beneficial ownership of the BBBV LP Shares except to the extent of their pecuniary interest therein, if any. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by BBBV LP, BBBV Limited, Jan Bootsma, Pascal Mahieux, Ben Morgan, and Martin Muenchbach.

(17) Includes 82,220 shares of Common Stock issuable upon conversion of 8,222 shares of Company Series A-1 Preferred Stock, 121,940 shares of Common Stock issuable upon conversion of 12,194 shares of Company Series A-2 Preferred Stock, 29,850 shares of Common Stock issuable upon conversion of 2,985 shares of Company Series A-3 Preferred Stock issued to BV III in the Merger; 1,222,900 shares of Common Stock issuable upon conversion of 122,290 shares of Company Series A-1 Preferred Stock, 1,813,640 shares of Common Stock issuable upon conversion of 181,364 shares of Company Series A-2 Preferred Stock, and 443,950 shares of Common Stock issuable upon conversion of 44,395 shares of Company Series A-3 Preferred Stock issued to BV III QP, in the Merger; 103,350 shares of Common Stock issuable upon conversion of 10,335 shares of Company Series A-1 Preferred Stock, 153,270 shares of Common Stock issuable upon conversion of 15,327 shares of Company Series A-2 Preferred Stock, and 37,520 shares of Common Stock issuable upon conversion of 3,752 shares of Company Series A-3 Preferred Stock issued to BV III KG, in the Merger; 36,930 shares of Common Stock issuable upon conversion of 3,693 shares of Company Series A-1 Preferred Stock, 54,770 shares of Common Stock issuable upon conversion of 5,477 shares of Company Series A-2 Preferred Stock, and 13,400 shares of Common Stock issuable upon conversion of 1,340 shares of Company Series A-3 Preferred Stock issued to BV III PF, in the Merger; 23,680 shares of Common Stock issuable upon conversion of 2,368 shares of Company Series A-1 Preferred Stock, 35,110 shares of Common Stock issuable upon conversion of 3,511 shares of Company Series A-2 Preferred Stock, and 8,590 shares of Common Stock issuable upon conversion of 859 shares of Company Series A-3 Preferred Stock issued to AM LLC in the Merger; 540,010 shares of Common Stock issuable upon conversion of 54,001

shares of Company Series A-1 Preferred Stock, and 1,842,420 shares of Common Stock issuable upon conversion of 184,242 shares of Company Series A-2 Preferred Stock issued to MPM NVS in the Merger. Additionally BV III has committed to purchase an aggregate of 6,874 shares of Company Series A-1 Preferred Stock at two subsequent closings, BV III QP has committed to purchase an aggregate of 102,238 shares of Company Series A-1 Preferred Stock at two subsequent closings, BV III KG has committed to purchase an aggregate of 8,640 shares of Company Series A-1 Preferred Stock at two subsequent closings, BV III PF has committed to purchase an aggregate of 3,087 shares of Company Series A-1 Preferred Stock at two subsequent closings, AM LLC has committed to purchase an aggregate of 1,979 shares of Company Series A-1 Preferred Stock at two subsequent closings, and MPM NVS has committed to purchase an aggregate of 60,536 shares of Company Series A-1 Preferred Stock at two subsequent closings. All voting and investment power is shared with Dr. Gadicke and the other general partners of these funds. BV III LP and BV3LLC, are the direct and indirect general partners of III, BV III QP, BV III KG, and BV III PF. BV IV GP and BV IV LLC are the direct and indirect general partners of MPM NVS. BV3LLC is the General Partner of BV III LP. Ansbert Gadicke, Luke Evnin, Nicholas Galakatos, Michael Steinmetz, Dennis Henner, Nicholas Simon and Kurt Wheeler are the Members of BV3LLC and the managers of AM LLC. All members of BV3LLC share all power to vote, acquire, hold and dispose of all shares and warrants. Each member disclaims beneficial ownership of the securities except to the extent of their pecuniary interest therein. BV4LLC is the Managing Member of BV IV GP. Ansbert Gadicke, Luke Evnin, John Vander Vort, William Greene, James Scopa, Vaughn Kailian and Steven St. Peter are the Members of MPM BioVentures IV LLC. All members share all power to vote, acquire, hold and dispose of all

shares and warrants. Each member disclaims beneficial ownership of the securities except to the extent of their pecuniary interest therein. Each fund mentioned above disclaims beneficial ownership of all shares not held by it of record. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by BV III, BV III QP, BV III KG, BV III PF, AM LLC, MPM NVS, Luke Evnin, Ansbert Gadicke, Nicholas Galakatos, Michael Steinmetz, Kurt Wheeler, Nicholas Simon III, Dennis Henner, Ashley L. Dombkowski, William Greene, Vaughn Kailian, James Paul Scopa, Steven St. Peter, and John Vander Vort.

(18) Includes of 8,222 shares of Company Series A-1 Preferred Stock issued to BV III in the Merger; 122,290 shares of Company Series A-1 Preferred Stock issued to BV III QP, in the Merger; 10,335 shares of Company Series A-1 Preferred Stock, issued to BV III KG, in the Merger; 3,693 shares of Company Series A-1 Preferred Stock issued to BV III PF in the Merger; 2,368 shares of Company Series A-1 Preferred Stock, issued to AM LLC in the Merger; and 54,001 shares of Company Series A-1 Preferred Stock issued to MPM NVS in the Merger. BV III has committed to purchase an aggregate of 6,874 shares of Company Series A-1 Preferred Stock at two subsequent closings, BV III QP has committed to purchase an aggregate of 102,238 shares of Company Series A-1 Preferred Stock at two subsequent closings, BV III KG has committed to purchase an aggregate of 8,640 shares of Company Series A-1 Preferred Stock at two subsequent closings, BV III PF has committed to purchase an aggregate of 3,087 shares of Company Series A-1 Preferred Stock at two subsequent closings, AM LLC has committed to purchase an aggregate of 1,979 shares of Company Series A-1 Preferred Stock at two subsequent closings, and MPM NVS has committed to purchase an aggregate of 60,536 shares of Company Series A-1 Preferred Stock at two subsequent closings. All voting and investment power is shared with Dr. Gadicke and the other general partners of these funds. BV III LP and BV3LLC, are the direct and indirect general partners of BV III, BV III QP, BV III KG, and BV III PF. BV IV GP and BV4LLC are the direct and indirect general partners of MPM NVS. BV3LLC is the General Partner of BV III LP. Ansbert Gadicke, Luke Evnin, Nicholas Galakatos, Michael Steinmetz, Dennis Henner, Nicholas Simon and Kurt Wheeler are the Members of BV3LLC and the managers of AM LLC. All members share all power to vote, acquire, hold and dispose of all shares and warrants. Each member disclaims beneficial ownership of the securities except to the extent of their pecuniary interest therein. BV4LLC is the Managing Member of BV IV GP. Ansbert Gadicke, Luke Evnin, John Vander Vort, William Greene, James Scopa, Vaughn Kailian and Steven St. Peter are the Members of MPM BioVentures IV LLC. All members share all power to vote, acquire, hold and dispose of all shares and warrants. Each member disclaims beneficial ownership of the securities except to the extent of their pecuniary interest therein. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by BV III, BV III QP, BV III KG, BV III PF, AM LLC, MPM NVS, Luke Evnin, Ansbert Gadicke, Nicholas Galakatos, Michael Steinmetz, Kurt Wheeler, Nicholas Simon III, Dennis Henner, Ashley L. Dombkowski, William Greene, Vaughn Kailian, James Paul Scopa, Steven St. Peter, and John Vander Vort.

(19) Includes 12,194 shares of Company Series A-2 Preferred Stock issued to BV III in the Merger; 181,364 shares of Company Series A-2 Preferred Stock issued to BV III QP, in the Merger 15,327 shares of Company Series A-2 Preferred Stock issued to BV III KG in the Merger; 5,477 shares of Company Series A-2 Preferred Stock issued to BV III PF, in the Merger; 3,511 shares of Company Series A-2 Preferred Stock issued to AM LLC in the Merger; and 184,242 shares of Company Series A-2 Preferred Stock issued to MPM NVS in the Merger. All voting and investment power is shared with Dr. Gadicke and the other general partners of these funds. BV III LP and BV3LLC, are the direct and indirect general partners of BV III, BV III QP, BV III KG, and BV III PF. BV IV GP and BV4LLC are the direct and indirect general partners of MPM NVS. BV3LLC is the General Partner of BV III LP. Ansbert Gadicke, Luke Evnin, Nicholas Galakatos, Michael Steinmetz, Dennis Henner, Nicholas Simon and Kurt Wheeler are the Members of BV3LLC and the managers of AM LLC. All members share all power to vote, acquire, hold and dispose of all shares and warrants. Each member disclaims beneficial ownership of the securities except to the extent of their pecuniary interest therein. BV4LLC is the Managing Member of BV IV GP. Ansbert Gadicke, Luke Evnin, John Vander Vort, William Greene, James Scopa, Vaughn Kailian and Steven St. Peter are the Members of MPM BioVentures IV LLC. All members share all power to vote, acquire, hold and dispose of all shares and warrants. Each member disclaims beneficial ownership of the securities except to the extent of their pecuniary interest therein. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by BV III, BV III QP, BV III KG, BV III PF, AM LLC, MPM NVS, Luke Evnin, Ansbert Gadicke, Nicholas Galakatos, Michael Steinmetz, Kurt Wheeler, Nicholas Simon III, Dennis Henner, Ashley L. Dombkowski, William Greene, Vaughn Kailian, James Paul Scopa, Steven St. Peter, and John Vander Vort.

(20) Includes 2,985 shares of Company Series A-3 Preferred Stock issued to BV III in the Merger; 44,395 shares of Company Series A-3 Preferred Stock issued to BV III QP in the Merger; 3,752 shares of Company Series A-3 Preferred Stock issued to BV III KG, in the Merger; 1,340 shares of Company Series A-3 Preferred Stock issued BV III PF, in the Merger; and 859 shares of Company Series A-3 Preferred Stock issued to AM LLC in the Merger. All voting and investment power is shared with Dr. Gadicke and the other general partners of these funds. BV III LP and BV3LLC, are the direct and indirect general partners of BV III, BV III QP, BV III KG, and BV III PF. BV IV GP and BV4LLC are the direct and indirect general partners of MPM NVS. BV3LLC is the General Partner of BV III LP. Ansbert Gadicke, Luke Evnin, Nicholas Galakatos, Michael Steinmetz, Dennis Henner, Nicholas Simon and Kurt Wheeler are the Members of BV3LLC and the managers of AM LLC. All members share all power to vote, acquire, hold and dispose of all shares and warrants. Each member disclaims beneficial ownership of the securities except to the extent of their pecuniary interest therein. BV4LLC is the Managing Member of BV IV GP. Ansbert Gadicke, Luke Evnin, John Vander Vort, William Greene, James Scopa, Vaughn Kailian and Steven St. Peter are the Members of MPM BioVentures IV LLC. All members have share all power to vote, acquire, hold and dispose of all shares and warrants. Each member disclaims beneficial ownership of the securities except to the extent of their pecuniary interest therein. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by BV III, BV III QP, BV III KG, BV III PF, AM LLC, MPM NVS, Luke Evnin, Ansbert Gadicke, Nicholas Galakatos, Michael Steinmetz, Kurt Wheeler, Nicholas Simon III, Dennis Henner, Ashley L. Dombkowski, William Greene, Vaughn Kailian, James Paul Scopa, Steven St. Peter, and John Vander Vort.

(21) Includes 255,220 shares of Common Stock issuable upon conversion of 25,522 shares of Company Series A-1 Preferred Stock, and 2,103,250 shares of Common Stock issuable upon conversion of 210,325 shares of Company Series A-2 Preferred Stock issued to The Wellcome Trust Limited as trustee of The Wellcome Trust in the Merger. Additionally, The Wellcome Trust Limited as trustee of The Wellcome Trust has committed to purchase an aggregate of 51,044 shares of Company Series A-1 Preferred Stock at two subsequent closings. Responsibility for the activities of the Wellcome Trust lies with the Board of Governors of The Wellcome Trust Limited that is comprised of William Castell, Kay Davies, Peter Davies, Christopher Fairburn, Richard Hynes, Anne Johnson, Roderick Kent, Eliza Manningham-Buller, Peter Rigby and Peter Smith. The Board of Governors share all voting and investment power with respect to the shares held by The Wellcome Trust Limited as trustee of the Wellcome Trust. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 25, 2011 by The Wellcome Trust Limited as trustee of The Wellcome Trust.

(22) The Wellcome Trust Limited as trustee of The Wellcome Trust has committed to purchase an aggregate of 51,044 shares of Company Series A-1 Preferred Stock at two subsequent closings. Responsibility for the activities of the Wellcome Trust lies with the Board of Governors of The Wellcome Trust Limited that is comprised of William Castell, Kay Davies, Peter Davies, Christopher Fairburn, Richard Hynes, Anne Johnson, Roderick Kent, Eliza Manningham-Buller, Peter Rigby and Peter Smith. The Board of Governors share all voting and investment power with respect to the shares held by The Wellcome Trust Limited as trustee of the Wellcome Trust. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 25, 2011 by The Wellcome Trust Limited as trustee of The Wellcome Trust.

(23) Includes 83,113 shares of Common Stock and 196,510 shares of Common Stock issuable upon conversion of 19,651 shares of Company Series A-1 Preferred Stock, 982,780 shares of Common Stock issuable upon conversion of 98,278 shares of Company Series A-2 Preferred Stock, 636,630 shares of Common Stock issuable upon conversion of 63,663 shares of Company Series A-3 Preferred Stock issued to HealthCare Ventures VII, L.P. (“HCVVII”) in the Merger. Additionally, HCVVII has committed to purchase an aggregate of 39,302 shares of Company Series A-1 Preferred Stock at two subsequent closings. HealthCare Partners VII, L.P. (“HCPVII”) is the General Partner of HCVVII. The General Partners of HCPVII are James H. Cavanaugh, Ph.D., Harold R. Werner, John W. Littlechild, Christopher Mirabelli, Ph.D., and Augustine Lawlor. The General Partners of HCPVII share all voting and investment power on behalf of HCPVII. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by HCVVII, HCPVII, James H. Cavanaugh, Ph.D., Harold R. Werner, John W. Littlechild, Christopher Mirabelli, Ph.D., and Augustine Lawlor.

(24) HCVVII has committed to purchase an aggregate of 39,302 shares of Company Series A-1 Preferred Stock at two subsequent closings. HealthCare Partners VII, L.P. (“HCPVII”) is the General Partner of HCVVII. The General Partners of HCPVII are James

H. Cavanaugh, Ph.D., Harold R. Werner, John W. Littlechild, Christopher Mirabelli, Ph.D., and Augustine Lawlor. The General Partners of HCPVII share all voting and investment power on behalf of HCPVII. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by HCVVII, HCPVII, James H. Cavanaugh, Ph.D., Harold R. Werner, John W. Littlechild, Christopher Mirabelli, Ph.D., and Augustine Lawlor.

(25) Includes: (i) 15,173 shares of Common Stock (the "OBP IV Common Shares") held directly by OBP IV; (ii) 1,498,240 shares of Common Stock (the "OBP IV Conversion Shares" and, together with the OBP IV Common Shares, the "OBP IV Saints Shares") issuable to OBP IV upon the conversion of 16,213 shares of Company Series A-1 Preferred Stock held directly by OBP IV, 108,628 shares of Company Series A-2 Preferred Stock held directly by OBP IV and 24,983 shares of Company Series A-3 Preferred Stock held directly by OBP IV; (iii) 151 shares of Common Stock (the "mRNA II Common Shares") held directly by mRNA II; (iv) 15,020 shares of Common Stock (the "mRNA II Conversion Shares" and, together with the mRNA II Common Shares, the "mRNA II Shares") issuable to mRNA II upon the conversion of 162 shares of Company Series A-1 Preferred Stock held directly by mRNA II, 1,090 shares of Company Series A-2 Preferred Stock held directly by mRNA II and 250 shares of Company Series A-3 Preferred Stock held directly by mRNA II. The OBP Saints IV Shares and the mRNA Saints II Shares are referred to herein as the "Saints Shares." The Saints Shares are indirectly held by Saints LP, a member of OBP IV and mRNA II, Saints LLC, the sole general partner of Saints LP, and the individual managers of Saints LLC. The individual managers of Saints LLC are Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer. The individual managers of Saints LLC share all voting and investment power on behalf of Saints LLC. Additionally, other than with respect to the Common Stock issuable upon the conversion of the 16,213 shares of Company Series A-1 Preferred Stock held directly by OBP IV and the 162 shares of Company Series A-1 Preferred Stock held directly by mRNA II, the Saints Shares are indirectly held by OBP LP, a member of OBP IV. The mRNA II Shares are indirectly held by mRNA LP, a member of mRNA II. The Saints Shares are indirectly held by (i) OBP Management IV, the sole general partner of each of OBP LP and mRNA LP and (ii) Jonathan Fleming and Alan Walton, the individual general partners of OBP Management IV. Jonathan Fleming and Alan Walton, the individual general partners of OBP Management IV, share all voting and investment power on behalf of OBP Management IV. Each of the entities and individuals mentioned above disclaim beneficial ownership within the meaning of Section 16 of the Securities Exchange Act of 1934, as amended, or otherwise of such portion of the Saints Shares in which such entity or individual has

no actual pecuniary interest therein. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by OBP IV, mRNA II, mRNA Fund II, OBP Management IV, Saints LP, Saints LLC, Jonathan Fleming, Alan Walton, Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer.

(26) Includes: 16,213 shares of Company Series A-1 Preferred Stock held directly by OBP IV (the "OBP IV A-1 Shares"), and 162 shares of Company Series A-1 Preferred Stock held directly by mRNA II (together with the OBP IV A-1 Shares; the "Saints A-1 Shares"). The Saints A-1 Shares are indirectly held by Saints LP, a member of OBP IV and mRNA II, Saints LLC, the sole general partner of Saints LP, and the individual managers of Saints LLC. The individual managers of Saints LLC are Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer. The individual managers of Saints LLC share all voting and investment power on behalf of Saints LLC. Each of the entities and individuals mentioned above disclaim beneficial ownership within the meaning of Section 16 of the Securities Exchange Act of 1934, as amended, or otherwise of such portion of the Saints A-1 Shares in which such entity or individual has no actual pecuniary interest therein. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by OBP IV, mRNA II, mRNA Fund II, OBP Management IV, Saints LP, Saints LLC, Jonathan Fleming, Alan Walton, Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer.

(27) Includes: 108,628 shares of Company Series A-2 Preferred Stock held directly by OBP IV (the "OBP IV A-2 Shares") and 1,090 shares of Company Series A-2 Preferred Stock held directly by mRNA II. (together with the OBP IV A-2 Shares, the "Saints A-2 Shares"). The Saints A-2 Shares are indirectly held by OBP Management IV, the sole general partner of each of OBP LP and mRNA LP; Jonathan Fleming and Alan Walton, the individual general partners of OBP Management IV; Saints LP, a member of OBP IV and mRNA II; Saints LLC, the sole general partner of Saints LP; and Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer, the individual managers of Saints LLC. Jonathan Fleming and Alan Walton, the individual general partners of OBP Management IV,

share all voting and investment power on behalf of OBP Management IV. Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer, the individual managers of Saints LLC share all voting and investment power on behalf of Saints LLC. Each of the entities and individuals mentioned above disclaim beneficial ownership within the meaning of Section 16 of the Securities Exchange Act of 1934, as amended, or otherwise of such portion of the Saints A-2 Shares in which such entity or individual has no actual pecuniary interest therein. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by OBP IV, mRNA II, mRNA Fund II, OBP Management IV, Saints LP, Saints LLC, Jonathan Fleming, Alan Walton, Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer.

(28) Includes: 24,983 shares of Company Series A-3 Preferred Stock held directly by OBP IV (the "OBP IV A-3 Shares"); and 250 shares of Company Series A-3 Preferred Stock held directly by mRNA II (together with the OBP IV A-3 Shares, the "Saints A-3 Shares"). The Saints A-3 Shares are indirectly held by OBP Management IV, the sole general partner of each of OBP LP and mRNA LP; Jonathan Fleming and Alan Walton, the individual general partners of OBP Management IV; Saints LP, a member of OBP IV and mRNA II; Saints LLC, the sole general partner of Saints LP; and Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer, the individual managers of Saints LLC. Jonathan Fleming and Alan Walton, the individual general partners of OBP Management IV, share all voting and investment power on behalf of OBP Management IV. Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer, the individual managers of Saints LLC share all voting and investment power on behalf of Saints LLC. Each of the entities and individuals mentioned above disclaim beneficial ownership within the meaning of Section 16 of the Securities Exchange Act of 1934, as amended, or otherwise of such portion of the Saints A-3 Shares in which such entity or individual has no actual pecuniary interest therein. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by OBP IV, mRNA II, mRNA Fund II, OBP Management IV, Saints LP, Saints LLC, Jonathan Fleming, Alan Walton, Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer.

(29) Includes the BBBV LP Shares issued to BBBV LP in the Merger. Additionally, BBBV LP has committed to purchase an aggregate of 40,940 shares of Company Series A-1 Preferred Stock at two subsequent closings. BBBV Limited is the General Partner of BBBV LP. Jan Bootsma, Pascal Mahieux, and Ben Morgan are the directors of BBBV Limited and share all voting and investment power with respect to these shares. Additionally, Martin Muenchbach, the Senior Investment Advisor Private Equity at Bellevue Asset Management AG, advises AMB NV who, pursuant to a services agreement with BAM AG, advises the directors of BBBV Limited, may be deemed to have voting and investment control over the shares held by BBBV LP given such advisory role. Each of the foregoing, except BBBV LP in the case of the BBBV LP Shares, disclaims beneficial ownership of the BBBV LP Shares except to the extent of their pecuniary interest therein, if any. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by BBBV LP, BBBV Limited, Jan Bootsma, Pascal Mahieux, Ben Morgan, and Martin Muenchbach.

(30) BBBV LP has committed to purchase an aggregate of 40,940 shares of Company Series A-1 Preferred Stock at two subsequent closings. Jan Bootsma, Pascal Mahieux, and Ben Morgan are the directors of BBBV Limited and share all voting and investment power with respect to these shares. Additionally, Martin Muenchbach, the Senior Investment Advisor Private Equity at Bellevue Asset Management AG, advises AMB NV who, pursuant to a services agreement with BAM AG, advises the directors of BBBV Limited, may be deemed to have voting and investment control over the shares held by BBBV LP given such advisory role. Each of the foregoing, except BBBV LP in the case of the BBBV LP Shares, disclaims beneficial ownership of the BBBV LP Shares except to the extent of their pecuniary interest therein, if any. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by BBBV LP, BBBV Limited, Jan Bootsma, Pascal Mahieux, Ben Morgan, and Martin Muenchbach.

(31) Includes the OBP IV Shares and the mRNA II Shares. The OBP IV Shares are indirectly held by OBP LP, a member of OBP IV. The mRNA II Shares are indirectly held by mRNA LP, a member of mRNA II. The Oxford Shares are indirectly held by OBP Management IV, the sole general partner of each of OBP LP and mRNA LP; Jonathan Fleming and Alan Walton, the individual general partners of OBP Management IV; Saints LP, a member of OBP IV and mRNA II; Saints Capital Granite, LLC ("Saints LLC"), the sole general partner of Saints LP; and Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer, the individual managers

of Saints LLC. Jonathan Fleming and Alan Walton, the individual general partners of OBP Management IV, share all voting and investment power on behalf of OBP Management IV. Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer, the individual managers of Saints LLC share all voting and investment power on behalf of Saints LLC. Each of the entities and individuals mentioned above disclaim beneficial ownership within the meaning of Section 16 of the Securities Exchange Act of 1934, as amended, or otherwise of such portion of the OBP IV Shares and mRNA Fund II Shares in which such entity or individual has no actual pecuniary interest therein. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by OBP IV, mRNA II, mRNA Fund II, OBP Management IV, Saints LP, Saints LLC, Jonathan Fleming, Alan Walton, Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer.

(32) Includes: 108,628 shares of Company Series A-2 Preferred Stock held directly by OBP IV and 1,090 shares of Company Series A-2 Preferred Stock held directly by mRNA II. The Oxford A-2 Shares are indirectly held by OBP Management IV, the sole general partner of each of OBP LP and mRNA LP; Jonathan Fleming and Alan Walton, the individual general partners of OBP Management IV; Saints LP, a member of OBP IV and mRNA II; Saints LLC, the sole general partner of Saints LP; and Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer, the individual managers of Saints LLC. Jonathan Fleming and Alan Walton, the individual general partners of OBP Management IV, share all voting and investment power on behalf of OBP Management IV. Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer, the individual managers of Saints LLC share all voting and investment power on behalf of Saints LLC. Each of the entities and individuals mentioned above disclaim beneficial ownership within the meaning of Section 16 of the Securities Exchange Act of 1934, as amended, or otherwise of such portion of the Saints A-2 Shares in which such entity or individual has no actual pecuniary interest therein. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by OBP IV, mRNA II, mRNA Fund II, OBP Management IV, Saints LP, Saints LLC, Jonathan Fleming, Alan Walton, Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer.

(33) Includes: 24,983 shares of Company Series A-3 Preferred Stock held directly by OBP IV; and 250 shares of Company Series A-3 Preferred Stock held directly by mRNA II. The Oxford A-3 Shares are indirectly held by OBP Management IV, the sole general partner of each of OBP LP and mRNA LP; Jonathan Fleming and Alan Walton, the individual general partners of OBP Management IV; Saints LP, a member of OBP IV and mRNA II; Saints LLC, the sole general partner of Saints LP; and Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer, as the individual managers of Saints LLC. Jonathan Fleming and Alan Walton, the individual general partners of OBP Management IV, share all voting and investment power on behalf of OBP Management IV. Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer, the individual managers of Saints LLC share all voting and investment power on behalf of Saints LLC. Each of the entities and individuals mentioned above disclaim beneficial ownership within the meaning of Section 16 of the Securities Exchange Act of 1934, as amended, or otherwise of such portion of the Saints A-2 Shares in which such entity or individual has no actual pecuniary interest therein. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on May 27, 2011 by OBP IV, mRNA II, mRNA Fund II, OBP Management IV, Saints LP, Saints LLC, Jonathan Fleming, Alan Walton, Scott Halsted, David P. Quinlivan, and Kenneth B. Sawyer.

(34) Includes 68,050 shares of Common Stock issuable upon conversion of 6,805 shares of Company Series A-1 Preferred Stock, and 560,860 shares of Common Stock issuable upon conversion of 56,086 shares of Company Series A-2 Preferred Stock. Healthcare Private Equity Limited Partnership ("HPELP") is a limited partnership which has one general partner, Waverley Healthcare Private Equity Limited ("Waverley GP") and one limited partner, Scottish Widows plc. As general partner, Waverley GP has authority under the HPELP limited partnership agreement ("LPA") to conduct and manage the business of HPELP. Andrew November and Archie Struthers are the directors Waverley GP and share all of the voting and investment power over the shares held by HPELP. The controlling shareholder of Waverley GP is SWIP Group Limited. The ultimate controlling entity of SWIP Group Limited is Lloyds Banking Group plc, a public listed company with many shareholders. The board of directors of Lloyds Banking Group plc consists of nine non-executive directors (Sir Winifried Bischoff, Lord Leitch, Anita Frew, Glen Moreno, David Roberts, T Timothy Ryan Jnr, Martin Scicluna and Anthony Watson) and three executive directors (Antonito Horta-Osorio, G Truett Tate and Tim Tookey). The Chairman (Sir Winifried Bischoff) is responsible for leadership of the board. The Group Chief executive (Antonio Horto-Osorio) is responsible for the day to day management of the business of Lloyds Banking Group plc, in accordance with the strategy and long term objectives approved by the board. Beneficial ownership information is based on information known to the Company. The nine non-executive directors and three executive directors of Lloyds Banking Group plc do not have any sole or shared voting or investment power with respect to the shares held by HPELP.

(35) Includes 409,400 shares of Common Stock issuable upon conversion of 40,940 shares of Company Series A-1 Preferred Stock. Brookside Capital Investors, L.P. ("Brookside Investors") is the sole general partner of Brookside Capital Partners Fund, L.P. ("Partners Fund"). Brookside Capital Management, LLC is the sole general partner of Brookside Investors. The control persons of Brookside Capital Management are Executive Committee members: Dewey J. Awad, Domenic J. Ferrante, Matthew V. McPherron, William E. Pappendick IV, John M. Toussaint. The Executive Committee members share all voting and investment power on behalf of Brookside Capital Management, LLC. Beneficial ownership information is based on information known to the Company.

(36) Includes 409,400 shares of Common Stock issuable upon conversion of 40,940 shares of Company Series A-1 Preferred Stock. BB Biotech Growth N.V. ("BB Growth") is a wholly-owned subsidiary of BB Biotech AG ("BB Biotech"). The directors and executive officers of BB Biotech are Dr. Thomas D. Szucs, Chairman and Director; Dr. Clive Meanwell, Vice Chairman and Director; and Dr. Erich Hunziker, Director. The directors and executive officers of BB Growth are Dr. Thomas D. Szucs, Statutory Director;

Deanna Chemaly, Statutory Director; and Hugo Jan van Neutegem, Statutory Director. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on June 3, 2011 by BB Biotech and BB Growth. The directors and executive officers of BB Biotech and BB Growth share all voting and investment power with respect to these shares.

(37) Includes 173,260 shares of Common Stock issuable upon conversion of 17,326 shares of Company Series A-1 Preferred Stock. Ipsen Pharma S.A.S ("Ipsen Pharma") is a société par actions simplifiée organized under the laws of France and is a wholly-owned subsidiary of Ipsen S.A. ("Ipsen"), a société anonyme organized under the laws of France. Ipsen' s majority shareholder is Mayroy, a société anonyme organized under the laws of Luxembourg. The directors and executive officers of Ipsen Pharma are Christophe Jean, Director; Claude Bertrand, Director; Etienne De Blois, Director; Philippe Robert-Gorsse, Director; Eric Drape, Director; Claire Giraut, Director; Jean Fabre, Director; Jean-Pierre Dubuc, Director; Didier Veron, Director; and Marc De Garidel, President. The directors of Ipsen are Marc De Garidel, Director and Chief Executive Officer; Anne Beaufour, Director; Henri Beaufour, Director; Hervé Couffin, Director; Antoine Flochel, Director; Gérard Hauser, Director; Pierre Martinet, Director; René Merkt, Director; Yves Rambaud, Director; Klaus-Peter Schwabe, Director and Christophe Vérot, Director. The executive officers of Ipsen are Claire Giraut, Etienne de Blois, Christophe Jean, Claude Bertrand, and Eric Drape. The directors of Mayroy are Anne Beaufour, Antoine Flochel, Beech Tree SA, Bee Master B.V. Holding BV, Henri Beaufour, Klaus Peter Schwabe, and Jean-Pierre Diehl. The directors and officers of Ipsen, Mayroy and Ipsen Pharama share all investment and voting power with respect to these shares. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on June 23, 2011 by Ipsen Pharma and Ipsen.

(38) Includes 64,430 shares of Common Stock issuable upon conversion of 6,443 shares of Company Series A-5 Preferred Stock. Clinical Development VII A/S ("Nordic VII"). Nordic VII is a wholly-owned subsidiary of Nordic Bioscience Clinical Development A/S ("Nordic A/S"). Nordic A/S is wholly-owned subsidiary of Nordic Bioscience Holding A/S ("Nordic Holding"). Nordic Holding is majority owned by C.C. Consulting A/S ("C.C. Consulting"). Claus Chrstiansen, MD, and Bente Riis Chrstiansen each own 50% of C.C. Consulting and share all voting and investment power with respect to these shares. The entities and individuals mentioned above disclaim beneficial ownership of the share except to the extent of their pecuniary interest therein. Beneficial ownership information is based on information known to the Company and a Schedule 13D filed with the SEC on June 17, 2011 by Nordic VII.

(39) Includes 8,961 shares of Common Stock held by Mr. Katzenellenbogen. Mr. Katzenellenbogen is the trustee of the Katzenellenbogen Trust and has sole voting and investment power with respect to these shares. The Katzenellenbogen Trust may be deemed to beneficially own the shares held by Mr. Katzenellenbogen.

Other Information

We file periodic reports with the SEC. You may obtain a copy of these reports by accessing the SEC' s website at http://www.sec.gov. You may also send communications to the Board of Directors at: Radius Health Inc., 201 Broadway, 6th Fl., Cambridge, MA, 02116 Attention: Board of Directors.

Market Price of and Dividends on Radius' Common Equity and Related Stockholder Matters

There is not currently, and there has never been, any market for any of our securities. Our securities are not eligible for trading on any national securities exchange, the Nasdaq or other over-the-counter markets, including the Over-the-Counter Bulletin Board®.

As of May 20, 2011, we had outstanding 555,594 shares of common stock, 413,254 shares of Series A-1 Preferred Stock, 983,208 shares of Series A-2 Preferred Stock, 142,227 shares of Series A-3 Preferred Stock, 3,998 shares of Series A-4 Preferred Stock, 6,443 shares of Series A-5 Preferred Stock. The shares of Preferred Stock are convertible into shares of common stock as set forth in more detail under the caption "Description of Capital Stock" below. Additionally, we have outstanding options to purchase an aggregate of 1,461,865 of which 1,134,806 are vested shares of common stock and warrants to purchase an aggregate of 818 shares of Series A-1 Preferred Stock, and warrants to purchase 266 shares of common stock.

Additionally, 1,549,596 shares of our common stock, of which 1,549,130 shares are issuable upon conversion of preferred stock, and 818 shares are issuable upon exercise of warrants, are entitled to certain registration rights we have provided to the holders thereof.

Recent Sales of Unregistered Securities

The following summarizes all sales of unregistered securities by the Former Operating Company and us, as applicable, since May 2008, adjusted to reflect the Post-Reverse Split numbers, where applicable:

- On November 14, 2008, Target issued 1,846,067 shares of Series C Preferred Stock to existing accredited investors for an aggregate purchase price equal to $15,029,639.

- On May 17, 2011, the Former Operating Company issued 9,832,133 shares of Series A-2 Convertible Preferred Stock, 1,422,300 shares of Series A-3 Convertible Preferred Stock, 40,003 Shares of Series A-4 Convertible Preferred stock and 555,549 shares of Common Stock to former stockholder of the Former Operating Company pursuant to a recapitalization, including a reverse split, and completed a private placement of 2,631,845 shares of Series A-1 Preferred Stock to a group of 18 accredited investors, including former stockholders of the Former Operating Company, all for an aggregate purchase price of $21,428,482. In addition, we issued 173,263 shares of Series A-1 Preferred Stock to Ipsen in lieu of a $1,000,000 cash milestone payment on May 17, 2011.

- On May 17, 2011, the Former Operating Company issued 64,430 shares Series A-5 Preferred Stock to Nordic for an aggregate purchase price of $525,153.53.

- On May 17, 2011, the Company issued warrants to purchase an aggregate of 8,188 shares of Series A-1 Preferred Stock to Leerink Swann LLC as consideration for services rendered in connection with the Series A-1 Financing pursuant to Section 4(2) of the Securities Act. No separate amount of consideration was paid for the issuance of the warrant under the agreement.

- On May 17, 2011, the Company issued 413,254 shares of A-1 Convertible Preferred Stock, 983,208 shares of Series A-2 Convertible Preferred Stock, 142,227 shares of Series A-3 Convertible Preferred Stock, 3,998 shares of Series A-4 Convertible Preferred stock, 6,443 shares of Series A-5 Convertible Preferred Stock and 555,549 shares of Common Stock in the Merger to the former stockholders of the Former Operating Company in exchange for shares held in the Former Operating Company pursuant to Section 4(2) of the Securities Act and Rule 506 to 34 accredited investors and 17 investors who were not accredited

and who the Company believed immediately prior to making any sale that such purchaser had such knowledge and experience in financial and business matters that such purchaser was capable of evaluating the merits and risks of the prospective investment.

- On May 23, 2011, the Company issued warrants to purchase an aggregate of 3,070 shares of Series A-1 Convertible Preferred Stock to two lenders, both of whom were accredited investors, in connection with a debt financing, as described above in Item 2.01 entitled Completion of Acquisition or Disposition of Assets pursuant to Section 4(2) of the Securities Act and Rule 506. No separate amount of consideration was paid for the issuance of the warrant under the loan agreement.

The offers, sales, and issuances of the securities described above were deemed to be exempt from registration under the Securities Act in reliance on Section 4(2) of the Securities Act or Regulation D promulgated thereunder as transactions by an issuer not involving a public offering. The recipients of securities in each of these transactions acquired the securities for investment only and not with a view to or for sale in connection with any distribution thereof and appropriate legends were affixed to the securities issued in these transactions. Each of the recipients of securities in these transactions had adequate access, through employment, business, stockholder, other relationships or the delivery of an information statement, to information about us.

In addition to the foregoing, from November 2003 until May 23, 2011, the Company issued options pursuant to the Target' s 2003 Long Term Incentive Plan to purchase an aggregate of 1,755,197 shares of Common Stock to employees, consultants and directors with a range of exercise prices from $0.15 to $1.50 per share. The issuance of options described above were deemed to be exempt from registration under the Securities Act in reliance upon Rule 701 promulgated under Section 3(b) of the Securities Act, as transactions pursuant to a written compensation benefit plan and contracts relating to compensation as provided under Rule 701.

Description of Securities

The following description of our capital stock being registered herein is a summary only and is qualified in its entirety by reference to our Certificate of Designations, Certificate of Incorporation, By-Laws, and the Stockholders' Agreement which are included as Exhibits 3.1, 3.4, 3.5 and 4.1, respectively, of this Form 8-K.

General

As of the date of this Form 8-K we have authorized capital of 110,000,000 shares, of which 100,000,000 are designated as Common Stock, and 10,000,000 shares are Preferred Stock, of which 1,000,000 are currently designated as Series A-1 Preferred Stock, 983,213 are currently designated as Series A-2 Preferred Stock, 142,230 are currently designated as Series A-3 Preferred Stock, 4,000 are currently designated as Series A-4 Preferred Stock, 7,000 are currently designated as Series A-5 Preferred Stock, and 800,000 are currently designated as Series A-6 Preferred Stock. As of the date of this prospectus we have outstanding 555,594 shares of Common Stock and 1,549,130 shares of Preferred Stock, of which 413,254 shares are Series A-1 Stock; 983,208 shares are Series A-2 Stock; 142,227 shares are Series A-3 Stock; 3,998 shares are Series A-4 Stock; and 6,443 shares are Series A-5 Stock, such outstanding Common Stock is held by 41 holders of record and upon conversion of the issued and outstanding Preferred Stock, would be held by 59 holders of record. Assuming the conversion of the outstanding Preferred Stock, the number of shares of Common Stock outstanding would be 16,046,894. Additionally, we have outstanding three preferred stock purchase warrants (the "Preferred Stock Purchase Warrants") that entitle the holders to purchase an aggregate of 3,888 shares of Series A-1 Stock at $81.42 per share and one common stock purchase warrant (the "Common Stock Purchase Warrant") that entitles the holder to purchase 266 shares of Common Stock at $15.00 per share.

Additionally, there are 1,319,682 options issued pursuant to the Inventive Plan that are exercisable into an aggregate of 1,319,682 shares of Common Stock. A total of 2,015,666 shares of Common Stock are available under the Incentive Plan. We plan to file a Form S-8 with the SEC in order to register the 2,015,666 available under the Incentive Plan.

Dividend Rights

Holders of shares of Series A-1 Shares are entitled to receive dividends at a rate of 8% per annum, compounding annually, which accrue on a quarterly basis commencing on the date of issuance of the shares of Series A-1 Shares. Dividends are payable, as accrued, upon liquidation, event of sale, and conversion to common stock. The holders of shares of Series A-1 Shares are also entitled to dividends declared or paid on any shares of Common Stock.

Following payment in full of required dividends to the holders of Series A-1 Shares, holders of Series A-2 Shares are entitled to receive dividends at a rate of 8% per annum, compounding annually, which accrue on a quarterly basis commencing on the date of issuance of the Series A-2 Shares. Dividends are payable, as accrued, upon liquidation, event of sale, and conversion to common stock. The holders of Series A-2 Shares are also entitled to dividends declared or paid on any shares of Common Stock.

Following payment in full of required dividends to the holders of Series A-1 Shares and Series A-2 Shares, holders of Series A-3 Shares are entitled to receive dividends at a rate of 8% per annum, compounding annually, which accrue on a quarterly basis commencing on the date of issuance of Series A-3 Shares.

Holders of Series A-5 Shares are entitled to receive the Series A-5 Special Accruing Dividend (as defined in the Certificate of Designations) which ranks senior in payment to any other dividends payable on any and all series of Preferred Stock and upon Liquidation (as defined in Section 4(b) of the Certificate of Designations) or an Event of Sale (as defined in Section 5 of Certificate of Designations).

Holders of Series A-6 Shares are entitled to receive dividends on Series A-6 Shares, when and if declared by the Board of Directors at a rate to be determined by the Board of Directors. Dividends are payable, as accrued, upon liquidation, event of sale and conversion to Common Stock.

The holders of shares of Series A-3 Shares, A-5 Shares and A-6 Shares are also entitled to dividends declared or paid on any shares of Common Stock. Following payment in full of required dividends to the holders of Series A-1 Shares, Series A-2 Shares, Series A-3 Shares, and Series A-5 Shares, holders of Series A-4 Shares are entitled to receive dividends on shares of Series A-4 Shares, when and if declared by the Board of Directors at a rate to be determined by the Board of Directors. Dividends are payable, as accrued, upon liquidation, event of sale, and conversion to Common Stock. The holders of shares of Series A-4 Shares are also entitled to dividends declared or paid on any shares of Common Stock.

Dividends on the Preferred Stock are payable, at the sole discretion of the Board of Directors, in cash or in shares of the Common Stock, when and if declared by the Board of Directors, upon liquidation or upon an event of sale. Upon conversion, dividends are payable shares of the common stock.

Terms of Conversion

Each share of Preferred Stock is convertible into shares of Common Stock at any time at the election of the holder thereof in an amount equal to the original purchase price of $81.42 divided by the then prevailing conversion price as determined in our Certificate of Incorporation and Certificate of Designations. The current conversion price is equal to $8.142 and, accordingly, each share of Preferred Stock is initially convertible into ten shares of Common Stock. The conversion price shall be adjusted from time to time in accordance with our Certificate of Incorporation and Certificate of Designations which provide for a reduction of the conversion price upon the issuance by us of our securities, other than Excluded Stock (as defined in the Certificate of Designations) at a consideration per share less than the conversion price in effect immediately prior to the issuance. If the conversion price is reduced, each share of Preferred Stock will be convertible into a greater number of shares of our Common Stock. The exact number of shares of our Common Stock into which a share of Preferred Stock would be convertible is determined by the reduction in the conversion price which is required to be calculated on a weighed average basis to take into account the magnitude of the dilutive effect of the newly issued shares at the lower purchase price.

In addition, pursuant to our Certificate of Incorporation, the Preferred Stock shall convert into Common Stock upon (i) an election to convert made by the Senior Majority or (ii) the listing of the Common Stock on a national securities exchange.

In the event an investor does not timely and completely fulfill their future obligations as defined in the Original Purchase Agreement (i) the shares of Preferred Stock then held by the investor automatically convert into our Common Stock at a rate of one share of Common Stock for every ten shares of Preferred Stock to be converted and (ii) we have the right to repurchase all the shares of Common Stock issued upon conversion at a purchase price equal to the par value of the repurchased shares of Common Stock.

Redemption and Liquidation Rights

Shares of our Preferred Stock outstanding at the time of a sale or liquidation of the Company will have a right to receive proceeds, if any, from any such transactions, before any payments are made to holders of our Common Stock, except as otherwise approved by the affirmative vote or consent of the Senior Majority. In the event that there are not enough proceeds to satisfy the entire liquidation preference of our Preferred Stock, holders of our Common Stock will receive nothing in respect of their equity holdings in the Company.

Voting Rights

The Preferred Stock entitles each holder thereof to one vote for each share of Common Stock into which such share of Preferred Stock is convertible, voting together with the Common Stock as a single class, except with respect to certain amendments to the Certificate of Designations, authorization or issuance of any new class or series of senior or parity capital stock (subject to certain exceptions), any liquidation, dissolution or winding up of the Company which require the consent of the Senior Majority. Initially each share of Preferred Stock is convertible into ten shares of Common Stock, and, therefore, each holder of Preferred Stock is entitled to ten votes for every share of Preferred Stock held by them.

Board of Directors

Pursuant to the Stockholders' Agreement and our Certificate of Incorporation:

(i) for so long as any shares of Series A-1 Stock are outstanding, the holders of a majority of the shares of Series A-1 Stock outstanding, voting as a separate class, shall have the right to elect two members of the Board of Directors;

(ii) The G3 Holders voting as a separate class shall have the right to elect one member of the Board of Directors of the Corporation by majority vote of the shares of Series A-1 Stock held by them; provided, however, that in order to be eligible to vote or consent with respect to the election of such member of the Board of Directors, a G3 Holder together with members of such G3 Holders' Group must hold greater than (20%) of the shares of Series A-1 Stock purchased under the Series A-1 Stock Purchase Agreement by such G3 Holder and the members of such G3 Holders' Group; and

(iii) MPM Capital L.P., voting as a separate class, shall have the right to elect one member of the Board of Directors of the Corporation by majority vote of the shares of Series A-1 Stock held by MPM Capital L.P.; provided that such member of the Board of Directors shall be an individual with particular expertise in the development of pharmaceutical products; and, provided, further, that in order to be eligible to vote or consent with respect to the election of such member of the Board of Directors, MPM Capital L.P. together with members of the MPM Group (as defined in the Stockholders' Agreement) must hold greater than twenty percent (20%) of the shares of Series A-1 Stock purchased under the Series A-1 Stock Purchase Agreement by MPM Capital L.P. and the members of the MPM Group.

The balance of the board is elected by all of the stockholders acting as a single class and voting on an as converted basis.

Anti-dilution Protection

All shares of Preferred Stock shall have weighted-average anti-dilution protection (based on the initial conversion purchase price of $8.142 per share) and anti-dilution protection upon the occurrence of any subdivision or combination of the Common Stock, stock dividend and other distribution, reorganization, reclassification or similar event affecting the Common Stock, subject to certain exceptions.

Preemption Rights

Under the terms of the Stockholders' Agreement, we are obligated to offer the holders of the Series A-1 Stock, the Series A-2 Stock and the Series A-3 Stock a right of first refusal with respect future equity issuances, subject to customary exceptions.

Indemnification

The Stockholders' Agreement contains customary cross-indemnification provisions, pursuant to which we are obligated to indemnify the selling stockholders in the event of material misstatements or omissions in the registration statement attributable to us, and the selling stockholders are obligated to indemnify the us for material misstatements or omissions attributable to them.

Restrictions on Alienability

Pursuant to the Stockholders' Agreement, for a period of 180 days from May 17, 2011, all other parties subject to the Stockholders' Agreement have agreed, subject to certain exceptions, not to sell, assign, transfer, make a short sale of, loan, grant any option for the purchase of, or exercise registration rights with respect to any shares of Common Stock or other securities convertible into or exercisable for Common Stock, other than to a member of such Stockholders' Group (as defined in the Stockholders' Agreement). Notwithstanding the foregoing, on the 30th, 60th, 90th and 180th day after May 17, 2011, these restrictions shall cease to apply to 5%, 15%, 30% and 50%, respectively, of shares of Common Stock issued or issuable upon conversion of the Series A-1 Stock ("the Series A-1 Conversion Shares") held or issuable to such stockholder at such time. These restrictions do not apply to block trades of 10,000 shares or more of Series A-1 Conversion Shares or, if, on or at any time after any days indicated in the previous sentence, the average of the closing bid and ask price of the our Common Stock if quoted on any electronic quotation system, including but not limited to the OTC:BB for the five trading days ending on such date, or the average last-sale price of our Common Stock if listed on a national securities exchange for the five trading days ending on such date, is greater than $16.29 per share the percentages set forth in the previous sentence shall be doubled, except that, the Stockholders agreed that in no event shall a Stockholder be permitted, until the Company' s Common Stock is listed on a national securities exchange, to sell, assign, transfer, make a short sale or, loan, grant any option for the purchase of, or exercise registration rights with respect to any Series A-1 Conversion Shares for a price less than $8.142 (subject to proportionate and equitable adjustment upon any stock split, stock dividend, reverse stock split or similar event that becomes effective after the date of this Agreement), except (i) with the prior written consent of the Company or (ii) to a member of such Stockholders' Group.

Registration Rights

Pursuant to the terms of the Stockholders' Agreement, on or before the 60th calendar day following the closing of the Merger, we are required to file a resale shelf registration statement (the "Resale Registration Statement")

pursuant to Rule 415 of the Securities Act, covering the offering and resale of all of the Registrable Shares (meaning all of the Common Stock issued or issuable upon the conversion or exchange of the Preferred Stock). We are required to use reasonable best efforts to have the Resale Registration Statement declared effective by the 90th calendar day following the closing of the Merger unless we receive comments on the Resale Registration Statement from the SEC, in which case we shall use reasonable best efforts to have the Resale Registration Statement declared effective by the 180th calendar day following the closing of the Merger. In the event that the we are notified by the SEC that the Resale Registration Statement will not be reviewed or is no longer subject to further review and comments, we are required to use reasonable best efforts to have the Resale Registration Statement declared effective by the 5th trading day following such notification. We are required to use reasonable best efforts to keep the Resale Registration Statement continuously effective until all Registrable Shares have been sold or may be sold without volume limitations under Rule 144 promulgated under the Securities Act. In the event that any of these provisions are not

complied with, as described in greater detail in the Stockholders' Agreement, on each such Event Date (as defined in the Stockholders' Agreement) and on each monthly anniversary of each such Event Date until such event is cured, the we are required to pay to each holder an amount in cash equal to one percent of the aggregate purchase price paid by such holder pursuant to the Purchase Agreement for any Registrable Securities (meaning the Preferred Stock) then held by such holder. The maximum aggregate liquidated damages payable to a holder under the Stockholders' Agreement is 16 percent of the aggregate purchase price paid by such holder pursuant to the Purchase Agreement. Interest accrues at the rate of 10 percent per annum on any unpaid liquidated damages.

Demand Registration Rights. At such time as the Resale Registration Statement is no longer effective, subject to specified exceptions, any party to the Stockholders' Agreement has the right to demand that we file an unlimited number of registration statements on Form S-3 covering the offering and sale of all or at least $1,000,000 worth of its Registrable Securities.

Piggyback Registration Rights. All parties to the Stockholders' Agreement have piggyback registration rights. Under these provisions, if we register any securities for public sale, other than pursuant to a registration statement on Form S-4, Form S-8 or Form S-1 (only in connection with an initial public offering), these stockholders will have the right to include their shares in the registration statement, subject to customary exceptions. The underwriters of any underwritten offering will have the right to limit the number of shares having registration rights to be included in the registration statement.

Expenses of Registration. We are responsible for paying all registration expenses, other than underwriting discounts and commissions, related to any demand or piggyback registration.

Share Purchase Warrants

The exercise price and number of shares of Common Stock and Preferred Stock issuable on exercise of the Common Stock Purchase Warrant and the Preferred Stock Purchase Warrants, respectively, may be adjusted in upon certain events that result in a change of the number and/or class of the securities issuable upon exercise or conversion of the applicable Warrants. The exercise period of each warrant expires ten years from the date such warrant was issued. The Preferred Stock Purchase Warrants may be exercised for cash or pursuant to standard cashless exercise provisions. To the extent not previously exercised, the Preferred Stock Purchase Warrants issued to GE and Oxford Finance, referred to herein as the Lender Warrants, shall be deemed to have been automatically exercised pursuant to the cashless exercise provision of such Lender Warrant as of immediately before its expiration, involuntary termination or cancellation if the then fair market value of a share issuable upon exercise of such Lender Warrant exceeds the warrant' s exercise price, unless such automatic exercise is waived in writing prior the Lender to any such automatic exercise. To the extent not previously exercised the closing of any acquisition in which the consideration paid to the Company or stockholders is cash or cash equivalents, at the election of the holder of the Preferred Stock Purchase Warrants issued to Leerink and the Common Stock Purchase Warrants (all of which are issued to SVB Financial Group), the Company shall purchase the unexercised portion of any such warrant for cash for an amount equal to (a) the fair market value of any consideration that would have been received had such Leerink Warrant been exercised immediately before the record date for determining the shareholders entitled to participate in the proceeds of the acquisition, less (b) the aggregate exercise price of such warrant, but in no event less than zero.

Delaware Anti-Takeover Statute

We are subject to Section 203 of the Delaware General Corporation Law. This statute regulating corporate takeovers prohibits a Delaware corporation from engaging in any business combination with any interested stockholder for three years following the date that the stockholder became an interested stockholder, unless:

- prior to the date of the transaction, the board of directors of the corporation approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;

- upon completion of the transaction that resulted in the interested 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 number of shares outstanding (a) shares owned by persons who are directors and also officers, and (b) shares owned by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

- on or subsequent to the date of the transaction, the business combination is approved by the board of directors and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least $66^{2}/_{3}$% of the outstanding voting stock which is not owned by the interested stockholder.

Generally, a business combination includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. An interested stockholder is any person who, together with such person' s affiliates and associates (i) owns 15% or more of a corporation' s voting securities or (ii) is an affiliate or associate of a corporation and was the owner of 15% or more of the corporation' s voting securities at any time within the three year period immediately preceding a business combination of the corporation governed by Section 203. We expect the existence of this provision to have an anti-takeover effect with respect to transactions our board of directors does not approve in advance. We also anticipate that Section 203 may discourage takeover attempts that might result in a premium over the market price, once a market exists, for the shares of common stock held by our stockholders.

Item 3.02. Unregistered Sales of Equity Securities

As disclosed under Item 2.01 above, in connection with the Merger, the Company issued an aggregate of 1,549,130 shares of its newly-designated Preferred Stock to the former holders of Radius Preferred Stock and 555,594 shares of Common Stock to the former holders of Radius Common Stock, all of which were unregistered. For these issuances, the Company relied on the exemptions from the registration requirements of the

Securities Act provided by Section 4(2) and Rule 506.

Item 4.01 Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

In connection with the closing of the Merger on May 17, 2011, Ernst & Young LLP ("E&Y"), who was the independent registered public accounting firm for Target prior to the Merger, became the independent registered public accounting firm for the Company and Raich Ende Malter & Co. LLP ("REMC") was dismissed as the independent registered public accountant for the Company. The decision to appoint E&Y and dismiss REMC was recommended, and subsequently approved, by the Board of Directors of the Company.

The reports of REMC on the Company' s financial statements for each of the two years ended December 31, 2009 December 31, 2010 did not contain an adverse opinion or a disclaimer of opinion, and were not qualified or modified as to uncertainty, audit scope, or accounting principles.

In connection with the audits of the Company' s financial statements for each of the two years ended December 31, 2010 through REMC' s dismissal, there were no disagreements with REMC on any matters of accounting principles or practices, financial statement disclosures, or auditing scope or procedures, which if not resolved to REMC' s satisfaction would have caused REMC to make reference to the matter in their report.

In connection with the audited financial statements of the Company through REMC' s dismissal, there have been no reportable events with the Company as set forth in Item 304(a)(1)(v) of Regulation S-K.

The Company has requested that REMC furnish it with a letter addressed to the Securities & Exchange Commission stating whether it agrees with the above statements. A copy of the letter, dated July 12, is filed herewith as Exhibit 16.1.

Item 5.01. Change in Control of Registrant

The disclosures set forth in Item 2.01 above are hereby incorporated by reference into this Item 5.01.

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

At the effective time of the Merger, the Company' s board of directors was reconstituted by the appointment of Ansbert Gadicke, MD, Jonathan Fleming, Alan Auerbach as directors (all of whom were directors of Radius immediately prior to the Merger), along with the new appointment of Martin Muenchbach, Ph.D, Kurt Graves, and Elizabeth Stoner, MD as directors and the resignation of Nick Harvey from his role as director of the Company.

At the effective time of the Merger, the following individuals (all of whom were officers of Target prior to the Merger) took the positions set after their names: Dr. Richard Lyttle (President and Chief Executive Officer); Dr. Louis O' Dea (Senior Vice President and Chief Medical Officer); Dr. Gary Hattersley (Vice President, Biology); and Nick Harvey (Senior Vice President and Chief Financial Officer, Secretary and Treasurer). Biographical and other information regarding these individuals is provided under the caption "Management" in Item 2.01 above, which is incorporated by reference into this Item 5.02.

Item 5.06. Change in Shell Company Status

As described in Item 1.01 and 2.01 above, which is incorporated by reference into this Item 5.06, the Company ceased being a shell company (as defined in Rule 12b-2 under the Exchange Act of 1934, as amended) upon completion of the Merger.

Item 9.01. Financial Statements and Exhibits.

(a) As a result of its acquisition of Target as described in Item 2.01, the registrant is filing herewith Target' s audited financial statements for the fiscal years ended December 31, 2010 and 2009 as Exhibit 99.1 to this current report and its unaudited financial statements for the three months ended March 31, 2011 and 2010 as Exhibit 99.1 to this current report.

(b) Pro forma combined financial information for the fiscal year ended December 31, 2010 is attached as Exhibit 99.2 to this current report and Pro forma combined financial information for the three months ended March 31, 2011 is attached as Exhibit 99.2.

(c) Exhibits.

Exhibit No.	Description
2.1	Agreement and Plan of Merger, dated April 25, 2011(1)
3.1	Certificate of Incorporation, as amended(10)
3.2	By-Laws, as amended(6)
4.1	Amended and Restated Stockholders' Agreement, dated May 17, 2011, by and among the Company, as successor to Radius Health, Inc., and the Stockholders listed therein(3)

10.1*	Clinical Trial Services Agreement and Work Statement NB-1, dated March 29, 2011, by and between the Company, as successor to Radius Health, Inc., and Nordic BioScience Clinical Development VII A/S(11)

10.2	Amended and Restated Stock Issuance Agreement, dated May 16, 2011, by and between the Company, as successor to Radius Health, Inc., and Nordic BioScience Clinical Development VII A/S(8)
10.3	Side Letter, dated March 29, 2011, by and between the Company, as successor to Radius Health, Inc., and Nordic BioScience Clinical Development VII A/S(11)
10.4*	License Agreement, dated September 27, 2005, by and between the Company, as successor to Radius Health, Inc., and SCRAS S.A.S., on behalf of itself and its Affiliates(11)
10.5*	Pharmaceutical Development Agreement, dated January 2, 2006, by and between the Company, as successor to Radius Health, Inc., and Beaufour Ipsen Industrie S.A.S. (11)
10.6*	Amendment No. 1 to Pharmaceutical Development Agreement, dated January 1, 2007, by and between the Company, as successor to Radius Health, Inc., and Beaufour Ipsen Industrie S.A.S. (11)
10.7	License Agreement Amendment No. 1, dated September 12, 2007, by and between the Company, as successor to Radius Health, Inc., and SCRAS S.A.S. (11)
10.8*	Amendment No. 2 to Pharmaceutical Development Agreement, dated January 1, 2009, by and between the Company, as successor to Radius Health, Inc., and Beaufour Ipsen Industrie S.A.S. (11)
10.9*	Amendment No. 3 to Pharmaceutical Development Agreement, dated June 16, 2010, by and between the Company, as successor to Radius Health, Inc., and Beaufour Ipsen Industrie S.A.S. (11)
10.10	License Agreement Amendment No. 2, dated May 11, 2011, by and between the Company, as successor to Radius Health, Inc., and Ipsen Pharma S.A.S.
10.11	Series A-1 Convertible Preferred Stock Issuance Agreement, dated May 11, 2011, by and between the Company, as successor to Radius Health, Inc., and Ipsen Pharma S.A.S.
10.12	Development and Manufacturing Services Agreement, dated October 16, 2007, by and between the Company, as successor to Radius Health, Inc., and LONZA Sales Ltd. (11)
10.13*	Work Order No. 2, dated January 15, 2010, by and between the Company, as successor to Radius Health, Inc., and LONZA Sales Ltd. (11)
10.14*	Amendment No. 3 to Work Order No.2, dated December 15, 2010, by and between the Company, as successor to Radius Health, Inc., and LONZA Sales Ltd. (11)
10.15*	Development and Clinical Supplies Agreement, dated June 19, 2009, by and among the Company, as successor to Radius Health, Inc., and 3M Co. and 3M Innovative Properties Co. (11)

10.16*	Amendment No. 1, dated December 31, 2009, to the 3M Development Agreement, by and among the Company, as successor to Radius Health, Inc., and 3M Co. and 3M Innovative Properties Co. (11)
10.17*	Amendment No. 2, dated September 16, 2010, to the 3M Development Agreement, by and among the Company, as successor to Radius Health, Inc., and 3M Co. and 3M Innovative Properties Co. (11)

10.18*	Amendment No. 3, dated September 29, 2010, to the 3M Development Agreement, by and among the Company, as successor to Radius Health, Inc., and 3M Co. and 3M Innovative Properties Co. (11)
10.19*	Change Order Form - Amendment No. 5, dated February 4, 2011, to the 3M Development Agreement, by and among the Company, as successor to Radius Health, Inc., and 3M Co. and 3M Innovative Properties Co. (11)
10.20*	Amendment No. 4, dated March 2, 2011, to the 3M Development Agreement, by and among the Company, as successor to Radius Health, Inc., and 3M Co. and 3M Innovative Properties Co. (11)
10.21*	Laboratory Services and Confidentiality Agreement, dated March 31, 2004, by and between the Company, as successor to Radius Health, Inc., and Charles River Laboratories, Inc. (11)
10.22	First Amendment to Laboratory Services and Confidentiality Agreement, dated November 7, 2008, by and between the Company, as successor to Radius Health, Inc., and Charles River Laboratories, Inc. (11)
10.23*	Letter of Payment Authorization, dated November 20, 2010, by and between the Company, as successor to Radius Health, Inc., and Charles River Laboratories Preclinical Services Montréal Inc. (11)
10.24*	Letter of Payment Authorization, dated February 7, 2011, by and between the Company, as successor to Radius Health, Inc., and Charles River Laboratories Preclinical Services Montréal Inc. (11)
10.25*	License Agreement, dated June 29, 2006, by and between the Company, as successor to Radius Health, Inc., and Eisai Co., Ltd. (11)
10.26	Series A-1 Purchase Agreement, dated April 25, 2011, by and among the Company, as successor to Radius Health, Inc., and the Investors listed therein
10.26.1	Amendment No. 1 to Series A-1 Convertible Preferred Stock Purchase Agreement, dated May 11, 2011(5)
10.27**	Radius Health, Inc. (f/k/a Nuvios, Inc.) 2003 Long-Term Incentive Plan, assumed in the Merger(3)
10.28**	Radius Health, Inc. First Amendment to 2003 Long-Term Incentive Plan effective as of December 15, 2006, assumed in the Merger(3)
10.29**	Radius Health, Inc. Second Amendment to 2003 Long-Term Incentive Plan effective as of March 28, 2008, assumed in the Merger(3)
10.30**	Radius Health, Inc. Third Amendment to 2003 Long-Term Incentive Plan effective as of November 14, 2008, assumed in the Merger(3)

10.31	Radius Health, Inc. 2003 Long-Term Incentive Plan Form of Stock Option Agreement(3)
10.32**	Radius Health, Inc. (f/k/a Nuvios, Inc.) 2003 Long-Term Incentive Plan Stock Option Agreement, dated October 8, 2004, by and between the Company, as successor to Nuvios, Inc., and Richard Lyttle for Option No. 04-103(3)
10.33**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated July 12, 2007, by and between the Company, as successor to Radius Health, Inc., and Richard Lyttle for Option No. 07-08(3)

10.34**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated May 8, 2008, by and between the Company, as successor to Radius Health, Inc., and Richard Lyttle for Option No. 08-09(3)
10.35**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated December 3, 2008, by and between the Company, as successor to Radius Health, Inc., and Richard Lyttle for Option No. 08-14(3)
10.36**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated February 15, 2006, by and between the Company, as successor to Radius Health, Inc., and Louis O' Dea for Option No. 06-07(3)
10.37**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated July 12, 2007, by and between the Company, as successor to Radius Health, Inc., and Louis O' Dea for Option No. 07-07(3)
10.38**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated May 8, 2008, by and between the Company, as successor to Radius Health, Inc., and Louis O' Dea for Option No. 08-05(3)
10.39**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated December 3, 2008, by and between the Company, as successor to Radius Health, Inc., and Louis O' Dea for Option No. 08-10(3)
10.40**	Radius Health, Inc. (f/k/a Nuvios, Inc.) 2003 Long-Term Incentive Plan Stock Option Agreement, dated December 16, 2003, by and between the Company, as successor to Nuvios, Inc., and Gary Hattersley for Option No. 03-001(3)
10.41**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated February 15, 2006, by and between the Company, as successor to Radius Health, Inc., and Gary Hattersley for Option No. 06-02(3)
10.42**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated July 12, 2007, by and between the Company, as successor to Radius Health, Inc., and Gary Hattersley for Option No. 07-06(3)
10.43**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated May 8, 2008, by and between the Company, as successor to Radius Health, Inc., and Gary Hattersley for Option No. 08-08(3)
10.44**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated December 3, 2008, by and between the Company, as successor to Radius Health, Inc., and Gary Hattersley for Option No. 08-13(3)
10.45**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated July 12, 2007, by and between the Company, as successor to Radius Health, Inc., and Nick Harvey for Option No. 07-09(3)

10.46**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated May 8, 2008, by and between the Company, as successor to Radius Health, Inc., and Nick Harvey for Option No. 08-06(3)
10.47**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated December 3, 2008, by and between the Company, as successor to Radius Health, Inc., and Nick Harvey for Option No. 08-11(3)
10.48	Employment Letter Agreement, dated July 2, 2004, by and between the Company, as successor to Nuvios, Inc., and C. Richard Edmund Lyttle(3)
10.49	Employment Letter Agreement, November 14, 2003, by and between the Company, as successor to Nuvios, Inc., and Gary Hattersley(3)

10.50	Employment Letter Agreement, dated January 30, 2006, by and between the Company, as successor to Radius Health, Inc., and Louis O' Dea(3)
10.51	Employment Letter Agreement, dated November 15, 2006, by and between the Company, as successor to Radius Health, Inc., and Nick Harvey(6)
10.52	Indemnification Agreement, dated May 17, 2011, by and between the Company, as successor to Radius Health, Inc., and Ansbert K. Gadicke(3)
10.53	Indemnification Agreement, dated May 17, 2011, by and between the Company, as successor to Radius Health, Inc., and C. Richard Edmund Lyttle(3)
10.54	Indemnification Agreement, dated May 17, 2011, by and between the Company, as successor to Radius Health, Inc., and Martin Muenchbach(3)
10.55	Indemnification Agreement, dated May 17, 2011, by and between the Company, as successor to Radius Health, Inc., and Jonathan Fleming(3)
10.56	Indemnification Agreement, dated May 17, 2011, by and between the Company, as successor to Radius Health, Inc., and Kurt Graves(3)
10.57	Indemnification Agreement, dated May 17, 2011, by and between the Company, as successor to Radius Health, Inc., and Elizabeth Stoner(3)
10.58	Indemnification Agreement, dated October 12, 2010, by and between the Company, as successor to Radius Health, Inc., and Alan Auerbach(3)
10.59	Indemnification Agreement, dated November 14, 2003, by and between the Company, as successor to Nuvios, Inc., and Michael Rosenblatt, M.D. (3)
10.60	Indemnification Agreement, dated November 14, 2003, by and between the Company, as successor to Nuvios, Inc., and Christopher Mirabelli(3)
10.61	Indemnification Agreement, dated November 14, 2003, by and between the Company, as successor to Nuvios, Inc., and Augustine Lawlor(3)
10.62	Indemnification Agreement, dated November 14, 2003, by and between the Company, as successor to Nuvios, Inc., and Edward Mascioli, M.D. (3)
10.63	Consent to Sublease, dated January 14, 2011, by and among the Company, as successor to Radius Health, Inc., Sonos, Inc., and Broadway/Hampshire Associates Limited Partnership(6)

10.64	Sublease, dated January 14, 2011, by and between the Company, as successor to Radius Health, Inc., and Sonos, Inc. (6)
10.65	Amended and Restated Warrant to Purchase Common Stock, dated May 17, 2011, by and between the Company, as successor to Radius Health, Inc., and SVB Financial Group(3)

10.66**	Warrant to Purchase Series A-1 Convertible Preferred Stock, dated May 17, 2011, by and between the Company, as successor to Radius Health, Inc., and Leerink Swann LLC(3)
10.67	Redemption Agreement, by and between MPM Acquisition Corp. and MPM Asset Management LLC, dated April 25, 2011(7)
10.68	Loan and Security Agreement, dated May 23, 2011, with General Electric Capital Corporation as agent and a lender, and Oxford Finance LLC as a lender(4)
10.69	Promissory Note, dated May 23, 2011, issued by the Company to General Electric Capital Corporation in the principal amount of $12,500,000(4)
10.70	Promissory Note, dated May 23, 2011, issued by the Company to Oxford Finance LLC in the principal amount of $3,125,000(4)
10.71	Promissory Note, dated May 23, 2011, issued by the Company to Oxford Finance LLC in the principal amount of $9,375,000(4)
10.72	Warrant to Purchase Shares of Series A-1 Convertible Preferred Stock, dated May 23, 2011, issued by the Company to GE Capital Equity Investments(4)
10.73	Warrant to Purchase Shares of Series A-1 Convertible Preferred Stock, dated May 23, 2011, issued by the Company to Oxford Finance LLC(4)
10.74	Lease by and between Broadway Hampshire Associates Limited Partnership and Radius Health, Inc. 201 Broadway Cambridge, Massachusetts, dated July 15, 2011(2)
10.75*	Change Order Form #6, dated June 20, 2011, to the 3M Development Agreement, by and between the Company and 3M (11)
10.76*	Change Order Form #7, dated August 2, 2011, to the 3M Development Agreement, by and between the Company and 3M(11)
10.77*	Change Order Form #8, dated July 28, 2011, to the 3M Development Agreement, by and between the Company and 3M (11)
10.78*	Addendum to Change Order Form #8, dated August 16, 2011, to the 3M Development Agreement, by and between the Company and 3M (11)
10.79*	Change Order Form #9, dated August 12, 2011, to the 3M Development Agreement, by and between the Company and 3M (11)
10.80*	Change Order Form #10, dated October 3, 2011, to the 3M Development Agreement, by and between the Company and 3M (11)
10.81**	Radius Health, Inc. 2003 Long-Term Incentive Plan Stock Option Agreement, dated October 12, 2010 by and between the Company and Alan Auerbach for Option No. 10-01.
10.82**	Radius Health, Inc. 2003 Long-Term Incentive Plan Stock Option Agreement, dated October 12, 2010 by and between the Company and Alan Auerbach for Option No. 10-02.

16.1	Letter from Raich Ende Malter & Co. LLP as to the change in certifying accountant, dated as of July 20, 2011(10)
99.1	Audited financial statements of Target for the fiscal years ended December 31, 2010 and 2009 and Unaudited financial statements of Target for the three months ended March 31, 2011 and 2010(9)
99.2	Unaudited Pro Forma Condensed Combined Financial Statements for the year ended December 31, 2010 and the three months ended March 31, 2011(9)

*Confidential Treatment Requested by the Registrant. Redacted Portion Filed Separately with the Commission.

**Share numbers and per share prices are presented pre-Reverse Split completed by Radius Health, Inc. on May 17, 2011.

(1) Incorporated by reference to the Company' s Current Report on Form 8-K filed on October 24, 2011

(2) Incorporated by reference to the Company' s Current Report on Form 8-K filed on September 30, 2011

(3) Incorporated by reference to the Company' s Current Report on Form 8-K filed on May 23, 2011.

(4) Incorporated by reference to the Company' s Current Report on Form 8-K filed on May 27, 2011.

(5) Incorporated by reference to the Company' s Registration Statement on Form S-1 filed on June 23, 2011.

(6) Incorporated by reference to the Company' s Current Report on Form 8-K filed on September 30, 2011.

(7) Incorporated by reference to the Company' s Current Report on Form 8-K filed on April 29, 2011.

(8) Incorporated by reference to the Company' s Periodic Report on Form 10-Q/A filed on October 24, 2011

(9) Incorporated by reference to the Company' s Current Report on Form 8-K filed on July 20, 2011.

(10) Incorporated by reference to the Company' s Registration Statement on Form S-1/A filed on October 6, 2011.

(11) Incorporated by reference to the Company' s Current Report on Form 8-K filed on October 24, 2011.

SIGNATURES

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

RADIUS HEALTH, INC.

Date: November 7, 2011

By: /s/ B. Nicholas Harvey

Name: B. Nicholas Harvey

Title: Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
2.1	Agreement and Plan of Merger, dated April 25, 2011(1)
3.1	Certificate of Incorporation, as amended(10)
3.2	By-Laws, as amend(6)

4.1	Amended and Restated Stockholders' Agreement, dated May 17, 2011, by and among the Company, as successor to Radius Health, Inc., and the Stockholders listed therein(3)
10.1*	Clinical Trial Services Agreement and Work Statement NB-1, dated March 29, 2011, by and between the Company, as successor to Radius Health, Inc., and Nordic BioScience Clinical Development VII A/S(11)
10.2	Amended and Restated Stock Issuance Agreement, dated May 16, 2011, by and between the Company, as successor to Radius Health, Inc., and Nordic BioScience Clinical Development VII A/S(8)
10.3	Side Letter, dated March 29, 2011, by and between the Company, as successor to Radius Health, Inc., and Nordic BioScience Clinical Development VII A/S(11)
10.4*	License Agreement, dated September 27, 2005, by and between the Company, as successor to Radius Health, Inc., and SCRAS S.A.S., on behalf of itself and its Affiliates(11)
10.5*	Pharmaceutical Development Agreement, dated January 2, 2006, by and between the Company, as successor to Radius Health, Inc., and Beaufour Ipsen Industrie S.A.S(11)
10.6*	Amendment No. 1 to Pharmaceutical Development Agreement, dated January 1, 2007, by and between the Company, as successor to Radius Health, Inc., and Beaufour Ipsen Industrie S.A.S. (11)
10.7	License Agreement Amendment No. 1, dated September 12, 2007, by and between the Company, as successor to Radius Health, Inc., and SCRAS S.A.S. (11)
10.8*	Amendment No. 2 to Pharmaceutical Development Agreement, dated January 1, 2009, by and between the Company, as successor to Radius Health, Inc., and Beaufour Ipsen Industrie S.A.S. (11)
10.9*	Amendment No. 3 to Pharmaceutical Development Agreement, dated June 16, 2010, by and between the Company, as successor to Radius Health, Inc., and Beaufour Ipsen Industrie S.A.S. (11)

10.10	License Agreement Amendment No. 2, dated May 11, 2011, by and between the Company, as successor to Radius Health, Inc., and Ipsen Pharma S.A.S.
10.11	Series A-1 Convertible Preferred Stock Issuance Agreement, dated May 11, 2011, by and between the Company, as successor to Radius Health, Inc., and Ipsen Pharma S.A.S.
10.12	Development and Manufacturing Services Agreement, dated October 16, 2007, by and between the Company, as successor to Radius Health, Inc., and LONZA Sales Ltd. (11)
10.13*	Work Order No. 2, dated January 15, 2010, by and between the Company, as successor to Radius Health, Inc., and LONZA Sales Ltd. (11)
10.14*	Amendment No. 3 to Work Order No.2, dated December 15, 2010, by and between the Company, as successor to Radius Health, Inc., and LONZA Sales Ltd. (11)
10.15*	Development and Clinical Supplies Agreement, dated June 19, 2009, by and among the Company, as successor to Radius Health, Inc., and 3M Co. and 3M Innovative Properties Co. (11)

10.16*	Amendment No. 1, dated December 31, 2009, to the 3M Development Agreement, by and among the Company, as successor to Radius Health, Inc., and 3M Co. and 3M Innovative Properties Co. (11)
10.17*	Amendment No. 2, dated September 16, 2010, to the 3M Development Agreement, by and among the Company, as successor to Radius Health, Inc., and 3M Co. and 3M Innovative Properties Co. (11)
10.18*	Amendment No. 3, dated September 29, 2010, to the 3M Development Agreement, by and among the Company, as successor to Radius Health, Inc., and 3M Co. and 3M Innovative Properties Co. (11)
10.19*	Change Order Form - Amendment No. 5, dated February 4, 2011, to the 3M Development Agreement, by and among the Company, as successor to Radius Health, Inc., and 3M Co. and 3M Innovative Properties Co. (11)
10.20*	Amendment No. 4, dated March 2, 2011, to the 3M Development Agreement, by and among the Company, as successor to Radius Health, Inc., and 3M Co. and 3M Innovative Properties Co. (11)
10.21*	Laboratory Services and Confidentiality Agreement, dated March 31, 2004, by and between the Company, as successor to Radius Health, Inc., and Charles River Laboratories, Inc. (11)
10.22	First Amendment to Laboratory Services and Confidentiality Agreement, dated November 7, 2008, by and between the Company, as successor to Radius Health, Inc., and Charles River Laboratories, Inc. (11)
10.23*	Letter of Payment Authorization, dated November 20, 2010, by and between the Company, as successor to Radius Health, Inc., and Charles River Laboratories Preclinical Services Montréal Inc. (11)

10.24*	Letter of Payment Authorization, dated February 7, 2011, by and between the Company, as successor to Radius Health, Inc., and Charles River Laboratories Preclinical Services Montréal Inc. (11)
10.25*	License Agreement, dated June 29, 2006, by and between the Company, as successor to Radius Health, Inc., and Eisai Co., Ltd. (11)
10.26	Series A-1 Purchase Agreement, dated April 25, 2011, by and among the Company, as successor to Radius Health, Inc., and the Investors listed therein
10.26.1	Amendment No. 1 to Series A-1 Convertible Preferred Stock Purchase Agreement, dated May 11, 2011(5)
10.27**	Radius Health, Inc. (f/k/a Nuvios, Inc.) 2003 Long-Term Incentive Plan, assumed in the Merger(3)
10.28**	Radius Health, Inc. First Amendment to 2003 Long-Term Incentive Plan effective as of December 15, 2006, assumed in the Merger(3)
10.29**	Radius Health, Inc. Second Amendment to 2003 Long-Term Incentive Plan effective as of March 28, 2008, assumed in the Merger(3)
10.30**	Radius Health, Inc. Third Amendment to 2003 Long-Term Incentive Plan effective as of November 14, 2008, assumed in the Merger(3)
10.31	Radius Health, Inc. 2003 Long-Term Incentive Plan Form of Stock Option Agreement(3)

10.32**	Radius Health, Inc. (f/k/a Nuvios, Inc.) 2003 Long-Term Incentive Plan Stock Option Agreement, dated October 8, 2004, by and between the Company, as successor to Nuvios, Inc., and Richard Lyttle for Option No. 04-103(3)
10.33**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated July 12, 2007, by and between the Company, as successor to Radius Health, Inc., and Richard Lyttle for Option No. 07-08(3)
10.34**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated May 8, 2008, by and between the Company, as successor to Radius Health, Inc., and Richard Lyttle for Option No. 08-09(3)
10.35**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated December 3, 2008, by and between the Company, as successor to Radius Health, Inc., and Richard Lyttle for Option No. 08-14(3)
10.36**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated February 15, 2006, by and between the Company, as successor to Radius Health, Inc., and Louis O' Dea for Option No. 06-07(3)
10.37**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated July 12, 2007, by and between the Company, as successor to Radius Health, Inc., and Louis O' Dea for Option No. 07-07(3)
10.38**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated May 8, 2008, by and between the Company, as successor to Radius Health, Inc., and Louis O' Dea for Option No. 08-05(3)
10.39**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated December 3, 2008, by and between the Company, as successor to Radius Health, Inc., and Louis O' Dea for Option No. 08-10(3)

10.40**	Radius Health, Inc. (f/k/a Nuvios, Inc.) 2003 Long-Term Incentive Plan Stock Option Agreement, dated December 16, 2003, by and between the Company, as successor to Nuvios, Inc., and Gary Hattersley for Option No. 03-001(3)
10.41**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated February 15, 2006, by and between the Company, as successor to Radius Health, Inc., and Gary Hattersley for Option No. 06-02(3)
10.42**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated July 12, 2007, by and between the Company, as successor to Radius Health, Inc., and Gary Hattersley for Option No. 07-06(3)
10.43**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated May 8, 2008, by and between the Company, as successor to Radius Health, Inc., and Gary Hattersley for Option No. 08-08(3)
10.44**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated December 3, 2008, by and between the Company, as successor to Radius Health, Inc., and Gary Hattersley for Option No. 08-13(3)
10.45**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated July 12, 2007, by and between the Company, as successor to Radius Health, Inc., and Nick Harvey for Option No. 07-09(3)
10.46**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated May 8, 2008, by and between the Company, as successor to Radius Health, Inc., and Nick Harvey for Option No. 08-06(3)
10.47**	Radius Health, Inc. 2003 Long-Term Incentive Plan Incentive Stock Option Agreement, dated December 3, 2008, by and between the Company, as successor to Radius Health, Inc., and Nick Harvey for Option No. 08-11(3)

10.48	Employment Letter Agreement, dated July 2, 2004, by and between the Company, as successor to Nuvios, Inc., and C. Richard Edmund Lyttle(3)
10.49	Employment Letter Agreement, November 14, 2003, by and between the Company, as successor to Nuvios, Inc., and Gary Hattersley(3)
10.50	Employment Letter Agreement, dated January 30, 2006, by and between the Company, as successor to Radius Health, Inc., and Louis O' Dea(3)
10.51	Employment Letter Agreement, dated November 15, 2006, by and between the Company, as successor to Radius Health, Inc., and Nick Harvey(6)
10.52	Indemnification Agreement, dated May 17, 2011, by and between the Company, as successor to Radius Health, Inc., and Ansbert K. Gadicke(3)
10.53	Indemnification Agreement, dated May 17, 2011, by and between the Company, as successor to Radius Health, Inc., and C. Richard Edmund Lyttle(3)
10.54	Indemnification Agreement, dated May 17, 2011, by and between the Company, as successor to Radius Health, Inc., and Martin Muenchbach(3)
10.55	Indemnification Agreement, dated May 17, 2011, by and between the Company, as successor to Radius Health, Inc., and Jonathan Fleming(3)

10.56	Indemnification Agreement, dated May 17, 2011, by and between the Company, as successor to Radius Health, Inc., and Kurt Graves(3)
10.57	Indemnification Agreement, dated May 17, 2011, by and between the Company, as successor to Radius Health, Inc., and Elizabeth Stoner(3)
10.58	Indemnification Agreement, dated October 12, 2010, by and between the Company, as successor to Radius Health, Inc., and Alan Auerbach(3)
10.59	Indemnification Agreement, dated November 14, 2003, by and between the Company, as successor to Nuvios, Inc., and Michael Rosenblatt, M.D. (3)
10.60	Indemnification Agreement, dated November 14, 2003, by and between the Company, as successor to Nuvios, Inc., and Christopher Mirabelli(3)
10.61	Indemnification Agreement, dated November 14, 2003, by and between the Company, as successor to Nuvios, Inc., and Augustine Lawlor(3)
10.62	Indemnification Agreement, dated November 14, 2003, by and between the Company, as successor to Nuvios, Inc., and Edward Mascioli, M.D. (3)
10.63	Consent to Sublease, dated January 14, 2011, by and among the Company, as successor to Radius Health, Inc., Sonos, Inc., and Broadway/Hampshire Associates Limited Partnership(6)

10.64	Sublease, dated January 14, 2011, by and between the Company, as successor to Radius Health, Inc., and Sonos, Inc. (6)
10.65	Amended and Restated Warrant to Purchase Common Stock, dated May 17, 2011, by and between the Company, as successor to Radius Health, Inc., and SVB Financial Group(3)
10.66**	Warrant to Purchase Series A-1 Convertible Preferred Stock, dated May 17, 2011, by and between the Company, as successor to Radius Health, Inc., and Leerink Swann LLC(3)
10.67	Redemption Agreement, by and between MPM Acquisition Corp. and MPM Asset Management LLC, dated April 25, 2011(7)
10.68	Loan and Security Agreement, dated May 23, 2011, with General Electric Capital Corporation as agent and a lender, and Oxford Finance LLC as a lender(4)
10.69	Promissory Note, dated May 23, 2011, issued by the Company to General Electric Capital Corporation in the principal amount of $12,500,000(4)
10.70	Promissory Note, dated May 23, 2011, issued by the Company to Oxford Finance LLC in the principal amount of $3,125,000(4)
10.71	Promissory Note, dated May 23, 2011, issued by the Company to Oxford Finance LLC in the principal amount of $9,375,000(4)
10.72	Warrant to Purchase Shares of Series A-1 Convertible Preferred Stock, dated May 23, 2011, issued by the Company to GE Capital Equity Investments(4)
10.73	Warrant to Purchase Shares of Series A-1 Convertible Preferred Stock, dated May 23, 2011, issued by the Company to Oxford Finance LLC(4)
10.74	Lease by and between Broadway Hampshire Associates Limited Partnership and Radius Health, Inc. 201 Broadway Cambridge, Massachusetts, dated July 15, 2011(2)
10.75*	Change Order Form #6, dated June 20, 2011, to the 3M Development Agreement, by and between the Company and 3M (11)
10.76*	Change Order Form #7, dated August 2, 2011, to the 3M Development Agreement, by and between the Company and 3M(11)
10.77*	Change Order Form #8, dated July 28, 2011, to the 3M Development Agreement, by and between the Company and 3M (11)
10.78*	Addendum to Change Order Form #8, dated August 16, 2011, to the 3M Development Agreement, by and between the Company and 3M (11)
10.79*	Change Order Form #9, dated August 12, 2011, to the 3M Development Agreement, by and between the Company and 3M (11)
10.80*	Change Order Form #10, dated October 3, 2011, to the 3M Development Agreement, by and between the Company and 3M (11)

10.81**	Radius Health, Inc. 2003 Long-Term Incentive Plan Stock Option Agreement, dated October 12, 2010 by and between the Company and Alan Auerbach for Option No. 10-01.
10.82**	Radius Health, Inc. 2003 Long-Term Incentive Plan Stock Option Agreement, dated October 12, 2010 by and between the Company and Alan Auerbach for Option No. 10-02.
16.1	Letter from Raich Ende Malter & Co. LLP as to the change in certifying accountant, dated as of July 20, 2011(10)
99.1	Audited financial statements of Target for the fiscal years ended December 31, 2010 and 2009 and Unaudited financial statements of Target for the three months ended March 31, 2011 and 2010(9)
99.2	Unaudited Pro Forma Condensed Combined Financial Statements for the year ended December 31, 2010 and the three months ended March 31, 2011(9)

*Confidential Treatment Requested by the Registrant. Redacted Portion Filed Separately with the Commission.

**Share numbers and per share prices are presented pre-Reverse Split completed by Radius Health, Inc. on May 17, 2011.

(1) Incorporated by reference to the Company' s Current Report on Form 8-K filed on October 24, 2011

(2) Incorporated by reference to the Company' s Current Report on Form 8-K filed on September 30, 2011

(3) Incorporated by reference to the Company' s Current Report on Form 8-K filed on May 23, 2011.

(4) Incorporated by reference to the Company' s Current Report on Form 8-K filed on May 27, 2011.

(5) Incorporated by reference to the Company' s Registration Statement on Form S-1 filed on June 23, 2011.

(6) Incorporated by reference to the Company' s Current Report on Form 8-K filed on September 30, 2011.

(7) Incorporated by reference to the Company' s Current Report on Form 8-K filed on April 29, 2011.

(8) Incorporated by reference to the Company' s Periodic Report on Form 10-Q/A filed on October 24, 2011

(9) Incorporated by reference to the Company' s Current Report on Form 8-K filed on July 20, 2011.

(10) Incorporated by reference to the Company' s Registration Statement on Form S-1/A filed on October 6, 2011.

(11) Incorporated by reference to the Company' s Current Report on Form 8-K filed on October 24, 2011.

Exhibit 10.10

Execution Copy

LICENSE AGREEMENT AMENDMENT NO. 2

Radius Health Inc., a Delaware Corporation, formerly known as Nuvios, Inc. *("**Radius**"),* and Ipsen Pharma SAS, a French corporation formerly known as SCRAS S.A.S., on behalf of itself and its Affiliates (***Ipsen***) (the *"**Parties**")* entered into the certain License Agreement as of September 27, 2005 *("**Effective Date**")*, as amended by that certain License Agreement Amendment No. effective as of September 12, 2007 (as amended, the *"**Agreement**"*). The Parties wish to enter into this License Agreement Amendment No. 2 *("**Amendment No. 2**")* effective as of , 2011 *("**Amendment Date**")* to amend certain provisions of the Agreement.

NOW THEREFORE, in consideration of the mutual covenants and promises contained in this Amendment No. 2, the Parties agree as follows:

1. Phase III Clinical Trial Milestone Payment. The provision of the fifth table cell of Section 3.1 of the Agreement concerning payment by Radius to Ipsen of EUR 1 million in connection with initiation of a first Phase III study is revised to read in full as follows:

Events	Amount
*(a) Within 15 days of the initiation of the first Phase III study (as such period may be extended with interest in accordance with Section 2 below), Nuvios shall pay Ipsen EUR 1 million. Ipsen shall in lieu of payment of such amount in cash accept payment in the form of the of having Nuvios issue shares of Nuvios Series A-1 Preferred Stock, provided that (i) the issuance of the Series A-1 Preferred Stock to Ipsen shall be made pursuant to a Series A-1 Convertible Preferred Stock Issuance Agreement in the form of **Attachment** 1 to this Amendment No. 2, executed concurrently herewith ("**Series A-1 SPA**"); and (ii) Ipsen shall not have terminated such agreement due to the failure of the conditions to be satisfied prior to June 30, 2011. If Ipsen does terminate the agreement, the milestone payment shall be immediately due and payable in cash, along with any interest accrued pursuant to paragraph 2 below.*	*EUR 1 million*

2. Payment Mechanics for Phase III Clinical Trial Milestone. The shares of Series A-1 Preferred Stock issuable to Ipsen will be issued in connection with the Stage-1 closing of the Series A-1 SPA. As such financing is not scheduled to close until after the 15-day period set forth in the fifth table cell of Section 3.1 of the Agreement, Radius may defer payment pending Closing of the Series A-1 SPA (or termination of the Series A-1 SPA), and Radius shall pay Ipsen interest on such milestone payment at the rate specified in Section 5.3 of the Agreement during the period between the 15th day following the initiation of the Phase III study and the date that Radius issues the shares of Series A-1 Preferred Stock to Ipsen. Such interest shall be paid in cash at the time the shares of Series A-1 Preferred Stock are issued to Ipsen.

3. Other Terms Related to the A-1 Financing. Radius represents and warrants that it has provided to Ipsen the agreements containing the terms of other investors in the Series A-1 financing and that such agreements and schedules thereto are current and accurate. Radius also agrees to notify Ipsen should Radius waive the transfer restrictions of any Series A-1 Preferred stockholder, and agrees to provide Ipsen with the opportunity to transfer a pro-rata portion of Ipsen' s Series A-1 Preferred Stock on the same terms.

4. Confidentiality. Notwithstanding Article 12 of the Agreement, neither Party shall disclose any Confidential Information, or the terms of the Agreement, including Amendment No. 1 or this Amendment No. 2 except to the extent required by a court or other governmental authority (and specifically including necessary disclosures pursuant to requirements of the Securities Exchange Commission (***"SEC"***) or any securities exchange upon which such Party' s securities are listed), provided that the disclosing Party (a) gives the other Party advance written notice of the disclosure, (b) uses reasonable efforts to resist disclosing such information, (c) cooperates with the other Party on request to obtain a confidential treatment or otherwise limit the disclosure (including the redaction of information reasonably requested by such other Party), and (d) as soon as reasonably possible, provides a letter from its counsel confirming that such information is, in fact, required to be disclosed by such governmental authority.

5. Change of Radius Notice Address. Section 18.4 of the Agreement is revised to replace the current notice address for Nuvios with the following notice address:

"Radius Health, Inc.
201 Broadway, 6th Floor
Cambridge, MA 02139, USA
Attn: President."

6. Ratification. Except to the extent expressly amended by this Amendment No. 2, all of the terms, provisions and conditions of the Agreement are hereby ratified and confirmed and shall remain in full force and effect. The term "Agreement", as used in the Agreement, shall henceforth be deemed to be a reference to the Agreement as amended by this Amendment No. 2.

7. General.

(a) Capitalized terms used in this Amendment No. 2 and not defined herein are used with the meanings ascribed to them in the Agreement.

(b) This Amendment No. 2 may be executed in counterparts, each of which will be deemed an original with all such counterparts together constituting one instrument.

(c) This Amendment No. 2 shall take effect as of the Amendment Date and shall remain in effect in accordance with the terms and provisions of the Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment No. 2 to be executed by their respective duly authorized officers, and have duly delivered and executed this Amendment No. 2 under seal as of the Amendment Date.

RADIUS HEALTH INC.		IPSEN PHARMA SAS	
BY:	/s/ C. Richard Lyttle	BY:	/s/ Marc de Garidel
NAME:	/s/ C. Richard Lyttle	NAME:	Marc de Garidel
TITLE:	President & CEO	TITLE:	Chairman and CEO

Execution Copy

Attachment 1

FORM OF
SERIES A-1 CONVERTIBLE PREFERRED
STOCK ISSUANCE AGREEMENT

THIS SERIES A-1 CONVERTIBLE PREFERRED STOCK ISSUANCE AGREEMENT, dated this 11th day of May, 2011 ("Agreement") is entered into by and among Radius Health, Inc., a Delaware corporation (the "Corporation"), and Ipsen Pharma SAS, a French corporation formerly known as SCRAS S.A.S. ("Investor").

WHEREAS, the Corporation and the Investor are parties to that certain License Agreement dated as of September 27, 2005, as amended by that certain License Agreement Amendment No. 1 effective as of September 12, 2007 and that certain License Agreement Amendment No. 2 effective as of May 11, 2011 (the "License Agreement") and pursuant to Amendment No. 2 have agreed that the Corporation shall issue shares of Series A-1 Convertible Preferred Stock (as hereinafter defined) to the Investor in satisfaction of the 1,000,000 milestone due Investor by the Corporation upon the initiation of the first Phase III study as provided in the fifth table cell of Section 3.1 of the License Agreement.

WHEREAS, the Corporation has entered into a Series A-1 Convertible Preferred Stock Purchase Agreement dated April 25, 2011 with several other investors providing for the issuance to such investors of an aggregate US $60,000,000 of Series A-1 Convertible Preferred Stock (as hereinafter defined), as more specifically set forth therein (the "April 25 Agreement").

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto, intending to be legally bound, hereby agree as follows:

SECTION 1. Filing of Restated Certificate of Incorporation.

1.1 Recapitalization.

(a) Prior to the Stage I Closing (as defined in Section 4(a) hereof), the Corporation shall have filed the Fourth Amended and Restated Certificate of Incorporation of the Corporation, in the form attached hereto as Exhibit A (the "Restated Certificate"). Pursuant to the Restated Certificate, among other things:

(i) simultaneously with the effective date of the filing of the Restated Certificate (the "Split Effective Date"), a reverse split (the "Reverse Split") of the Corporation' s outstanding capital stock shall occur as follows: (A) each share of the Corporation' s Common Stock, par value $.01 per share ("Common Stock"), issued and outstanding or held as treasury shares immediately prior to the Split Effective Date shall automatically without any action on the part of the holder thereof, be reclassified and changed into 0.06666667 of one share of Common Stock from and after the Split Effective Date, (B) each share of the Corporation' s Series A Junior Convertible Preferred Stock, par value $.01 per share ("Series A Stock"), issued and outstanding or held as treasury shares immediately prior to the Split Effective Date shall automatically without any action on the part of the holder thereof, be

reclassified and changed into 0.06666667 of one share of Series A Stock from and after the Split Effective Date, (C) each share of the Corporation' s Series B Convertible Redeemable Preferred Stock, par value $.01 per share ("Series B Stock"), issued and outstanding or held as treasury shares immediately prior to the Split Effective Date shall automatically without any action on the part of the holder thereof, be reclassified and changed into 0.06666667 of one share of Series B Stock from and after the Split Effective Date and (D) each share of the Corporation' s Series C Convertible Redeemable Preferred Stock, par value $.01 per share ("Series C Stock" and together with the Series A Stock and the Series B Stock, the "Existing Preferred Stock"), issued and outstanding or held as treasury shares immediately prior to the Split Effective Date shall automatically without any action on the part of the holder thereof, be reclassified and changed into 0.06666667 of one share of Series C Stock from and after the Split Effective Date;

(ii) in the event that a current stockholder of the Corporation does not participate in the financing contemplated hereby at least at the level of its Pro Rata Share (as defined below), by committing to purchase and purchasing (or securing an investor who commits to purchase and purchases) at least at the level of its Pro Rata Share, a percentage of each series of such holder' s Existing Preferred Stock equal to such holder' s Applicable Portion (as defined in the Restated Certificate) shall automatically convert into shares of Common Stock (all such shares of Common Stock being referred to herein, collectively, as the "Forced Conversion Shares"), at a

rate of 1 share of Common Stock for every 5 shares of Existing Preferred Stock to be so converted, such automatic conversion (hereinafter, the "Forced Conversion") to occur and become effective immediately prior to the consummation of the Stage I Closing (the "Effective Time");

(iii) each share of Series C Stock remaining outstanding after the Forced Conversion shall, immediately following the Forced Conversion, automatically be reclassified and converted into one (1) share of Series A-2 Preferred Stock (as defined in Section 1.2 hereof), and all accrued dividends on such reclassified share of Series C Stock shall be forfeited;

(iv) each share of Series B Stock remaining outstanding after the Forced Conversion shall, immediately following the Forced Conversion, automatically be reclassified and converted into one (1) share of Series A-3 Preferred Stock (as defined in Section 1.2 hereof), and all accrued dividends on such reclassified share of Series B Stock shall be forfeited; and

(v) each share of Series A Stock remaining outstanding after the Forced Conversion shall, immediately following the Forced Conversion, automatically be reclassified and converted into one (1) share of Series A-4 Preferred Stock (as defined in Section 1.2 hereof) (the automatic reclassification and conversion of the Existing Preferred Stock pursuant to the Restated Certificate into shares of Series A-2 Preferred Stock, Series A-3 Preferred Stock and Series A-4 Preferred Stock, as applicable, as described in the provisions set forth above, is hereinafter referred to as the "Automatic Reclassification"). The Reverse Split, the Forced Conversion and the Automatic Reclassification are hereinafter referred to, collectively, as the "Recapitalization".

(b) As used in this Agreement, the term "Pro Rata Share" means, with

respect to any holder of Existing Preferred Shares (an "Existing Preferred Holder"), that amount equal to $35,000,000 multiplied by the quotient obtained by dividing (A) the number of shares of issued and outstanding Common Stock owned by such Existing Preferred Holder as of March 31, 2011 (or, in the case of a holder of Existing Preferred Stock who received all of its shares of Existing Preferred Stock in a transfer from a former holder of Existing Preferred Stock occurring after March 31, 2011, the number shares of issued and outstanding Common Stock owned by such former holder of Existing Preferred Stock as of March 31, 2011) by (B) the aggregate number of shares of issued and outstanding Common Stock owned as of such date by all Existing Preferred Holders. For purposes of the computation set forth in clauses (i) and (ii) above, all issued and outstanding securities held by Existing Preferred Holders that are convertible into or exercisable or exchangeable for shares of Common Stock (including any issued and issuable shares of Existing Preferred Stock) or for any such convertible, exercisable or exchangeable securities, shall be treated as having been so converted, exercised or exchanged at the rate or price at which such securities are convertible, exercisable or exchangeable for shares of Common Stock in effect at the time in question, whether or not such securities are at such time immediately convertible, exercisable or exchangeable.

(c) The procedures for implementing the Recapitalization are more specifically set forth in the Restated Certificate.

(d) All stock numbers and prices set forth in this Agreement give effect to the Reverse Split and no further adjustments are necessary with respect thereto.

1.2 Rights and Preferences of the Authorized Stock. In addition to setting forth the Recapitalization, the Restated Certificate also sets forth, among other things, the terms, designations, powers, preferences, and relative, participating, optional, and other special rights, and the qualifications, limitations and restrictions of the Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock, Series A-4 Preferred Stock, Series A-5 Preferred Stock and Series A-6 Preferred Stock (as such terms are hereinafter defined). Pursuant to the Restated Certificate, the Corporation shall be authorized to issue up to (i) 34,859,964 shares of Common Stock, par value $.01 per share ("Common Stock"), and (ii) 29,364,436 shares of Preferred Stock (the "Preferred Stock"), 10,000,000 of which shall have been designated as Series A-1 Convertible Preferred Stock, par value $.01 per share ("Series A-1 Preferred Stock"), 9,832,133 of which shall have been designated as Series A-2 Convertible Preferred Stock, par value $.01 per share ("Series A-2 Preferred Stock"), 1,422,300 of which shall have been designated as Series A-3 Convertible Preferred Stock, par value $.01 per share ("Series A-3 Preferred Stock"), 40,003 of which shall have been designated as Series A-4 Convertible Preferred Stock, par value $.01 per share ("Series A-4 Preferred Stock"),

70,000 of which shall have been designated as Series A-5 Convertible Preferred Stock, par value $.01 per share ("Series A-5 Preferred Stock"), and 8,000,000 of which shall have been designated as Series A-6 Convertible Preferred Stock, par value $.01 per share ("Series A-6 Preferred Stock"). The Common Stock and the Preferred Stock shall have the respective terms as set forth in the Restated Certificate.

SECTION 2. Authorization of Issuance and Sale of Series A-1 Preferred Stock; Reservation of Reserved Common Shares.

Subject to the terms and conditions of the April 25 Agreement, the Corporation has authorized the following:

(a) the issuance on the Stage I Closing Date (as defined in Section 4(a) hereof) of an aggregate of 2,631,845 shares of Series A-1 Preferred Stock (subject to adjustment to reflect stock splits, stock dividends, stock combinations, recapitalizations and like occurrences other than the Reverse Split) (such shares of Series A-1 Preferred Stock being sometimes hereinafter referred to as the "Stage I Preferred Shares"), and the reservation of an equal number of shares of Common Stock for issuance upon conversion of the Stage I Preferred Shares (such reserved Common Stock being sometimes hereinafter collectively referred to as the "Stage I Reserved Common Shares").

(b) the issuance on the Stage II Closing Date (as defined in the April 25 Agreement) of an aggregate of 2,631,845 shares of Series A-1 Preferred Stock (subject to adjustment to reflect stock splits, stock dividends, stock combinations, recapitalizations and like occurrences other than the Reverse Split) (such shares of Series A-1 Preferred Stock being sometimes hereinafter referred to as the "Stage II Preferred Shares"), and the reservation of an equal number of shares of Common Stock for issuance upon conversion of the Stage II Preferred Shares (such reserved Common Stock being sometimes hereinafter collectively referred to as the "Stage II Reserved Common Shares").

(c) the issuance on the Stage III Closing Date (as defined in the April 25 Agreement) of an aggregate of 2,631,845 shares of Series A-1 Preferred Stock (subject to adjustment to reflect stock splits, stock dividends, stock combinations, recapitalizations and like occurrences other than the Reverse Split) (such shares of Series A-1 Preferred Stock being sometimes hereinafter referred to as the "Stage III Preferred Shares"), and the reservation of an equal number of shares of Common Stock for issuance upon conversion of the Stage III Preferred Shares (such reserved Common Stock being sometimes hereinafter collectively referred to as the "Stage III Reserved Common Shares" and together with the Stage I Reserved Common Shares and the Stage II Reserved Common Shares, the "Reserved Common Shares").

SECTION 3. Issuance of Series A-1 Preferred Stock.

3.1 Agreement to Issue the Series A-1 Preferred Stock. Subject to the terms and conditions hereof, the Corporation is selling to the Investor and the Investor is purchasing from the Corporation the number of shares of Series A-1 Preferred Stock set forth next to such Investor' s name of Schedule 1 hereto under the caption "Stage 1 Preferred Shares" for the consideration set forth in Section 3.3.

3.2 Delivery of Series A-1 Preferred Stock. At the Closing (as defined in Section 4), the Corporation shall deliver to the Investor a certificate, registered in the name of the Investor, representing that number of shares of Series A-1 Preferred Stock equal to the quotient (rounded up to the nearest whole number) obtained by dividing **(x)** the U.S. Dollar equivalent (determined in accordance with the provisions of the next sentence) of 1,000,000 by **(y)** US$8.142 per share. The Corporation shall determine the U.S. Dollar equivalent of such 1,000,000 using the

exchange rate for buying U.S. Dollars with EUROS set forth in *The Wall Street Journal (Online Edition)* Market Data Center at http://online.wsj.com/mdc/public/page/marketsdata.html on the Business Day that is two (2) Business Days preceding the date of the Closing. Delivery of certificate representing Series A-1 Preferred Stock to the Investor shall be made in satisfaction of the milestone due Investor by the Corporation pursuant to fifth table cell of Section 3.1 of the of the License Agreement upon the initiation of the first Phase III study.

SECTION 4. The Closing.

The closing (the "Stage I Closing" or the "Closing") hereunder with respect to the transactions contemplated by Sections 2(a) and 3.1 hereof will take place by facsimile transmission of executed copies of the documents contemplated hereby delivered on either (i) May 17, 2011 or (ii) if on such date the conditions precedent set forth in Section 7.1 and 7.2 hereof have not been satisfied or waived, no later than the third (3d) business day after the conditions set forth in Sections 7.1 and 7.2 hereof have been satisfied or waived in writing by the Majority Investors, such Stage I Closing to be held at the offices of Bingham McCutchen LLP, One Federal Street, Boston, MA 02110 (such date sometimes being referred to herein as the "Stage I Closing Date").

SECTION 5. Representations and Warranties of the Corporation to the Investor.

Except as set forth in the Corporation' s disclosure schedule dated as of April 25, 2011 and delivered herewith (the "Corporation' s Disclosure Schedule"), which shall be arranged to correspond to the representations and warranties in this Section 5, or, in each case, as applicable to the relevant other Sections of this Agreement, and the disclosure in any portion of the Corporation' s Disclosure Schedule shall qualify the corresponding provision in this Section 5 and any other provision of this Agreement, including but not limited to the provisions of this Section 5, to which it is reasonably apparent on its face that such disclosure relates notwithstanding the lack of any explicit cross-reference, the Corporation hereby represents and warrants to the Investors as of the date of this Agreement and as of the Effective Time as follows:

5.1 Organization. The Corporation is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has all requisite corporate power and authority to own and lease its property and to carry on its Business (as defined in Section 5.6) as presently conducted and as proposed to be conducted as described in the Executive Summary (as defined in Section 5.6). The Corporation is duly qualified to do business as a foreign corporation in the states set forth on Schedule 5.1 of the Corporation' s Disclosure Schedule. The Corporation does not own or lease property or engage in any activity in any other jurisdiction which would require its qualification in such jurisdiction and in which the failure to be so qualified would have a material adverse effect on the Business, properties, assets, liabilities, condition (financial or otherwise) or prospects of the Corporation (a "Corporation Material Adverse Effect").

5.2 Capitalization.

(a) The authorized capital stock of the Corporation immediately prior

to the Stage I Closing shall consist of:

(i) 34,859,964 shares of Common Stock, of which:

(1) 522,506 shall be validly issued and outstanding, fully paid and nonassessable (including 266 shares issuable upon exercise of warrants to purchase Common Stock);

(2) 29,364,436 shares shall have been duly reserved for issuance upon conversion of the Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock, Series A-4 Preferred Stock, Series A-5 Preferred Stock and Series A-6 Preferred Stock (including 147,384 shares of Series A-1 Preferred Stock issuable upon exercise of warrants to purchase Series A-1 Preferred Stock); and

(3) 2,015,666 shares shall have been duly reserved for issuance in connection with options available under the Corporation' s 2003 Long-Term Incentive Plan, as amended (the "2003 Plan Option Shares").

(ii) 29,364,436 shares of Preferred Stock of which:

(1) 63,000 shall have been designated the Series A Stock, 61,664 of which shall be issued and outstanding, fully paid and nonassessable;

(2) 1,600,000 shall have been designated the Series B Stock, 1,599,997 of which shall be issued and outstanding, fully paid and nonassessable;

(3) 10,146,629 shall have been designated the Series C Preferred Stock, all of which shall be issued and outstanding, fully paid and nonassessable;

(4) 10,000,000 shall have been designated the Series A-1 Preferred Stock, none of which shall be issued and outstanding;

(5) 9,832,133 shall have been designated the Series A-2 Preferred Stock, none of which shall be issued and outstanding;

(6) 1,422,300 shall have been designated the Series A-3 Preferred Stock, none of which shall be issued and outstanding;

(7) 40,003 shall have been designated the Series A-4 Preferred Stock, none of which shall be issued and outstanding;

(8) 70,000 shall have been designated the Series A-5 Preferred Stock, none of which shall be issued and outstanding;

(9) 8,000,000 shall have been designated the Series A-6 Preferred Stock, none of which shall be issued and outstanding.

(b) The authorized capital stock of the Corporation immediately

following the Stage I Closing, assuming compliance with all of the provisions of this Agreement by each of the Investors, shall consist of:

(i) 34,859,964 shares of Common Stock, of which:

(1) 522,506 shall be validly issued and outstanding, fully paid and nonassessable (including 266 shares issuable upon exercise of warrants to purchase Common Stock);

(2) 29,364,436 shares shall have been duly reserved for issuance upon conversion of the Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock, Series A-4 Preferred Stock, Series A-5 Preferred Stock and Series A-6 Preferred Stock (including 147,384 shares of Series A-1 Preferred Stock issuable upon exercise of warrants to purchase Series A-1 Preferred Stock); and

(3) 2,015,666 shares shall have been duly reserved for issuance in connection with options available under the Corporation' s 2003 Long-Term Incentive Plan, as amended;

(ii) 29,364,436 shares of Preferred Stock of which:

(1) 63,000 shall have been designated the Series A Preferred Stock, none of which shall be issued and outstanding;

(2) 1,600,000 shall have been designated the Series B Preferred Stock, none of which shall be issued and outstanding;

(3) 10,146,629 shall have been designated the Series C Preferred Stock, none of which shall be issued and outstanding;

(4) 10,000,000 shall have been designated the Series A-1 Preferred Stock, of which 4,136,912 shall be validly issued and outstanding, fully paid and nonassessable;

(5) 9,832,133 shall have been designated the Series A-2 Preferred Stock, all of which shall be validly issued and outstanding, fully paid and nonassessable;

(6) 1,422,300 shall have been designated the Series A-3 Preferred Stock, all of which shall be validly issued and outstanding, fully paid and nonassessable;

(7) 40,003 shall have been designated the Series A-4 Preferred Stock, all of which shall be validly issued and outstanding, fully paid and nonassessable;

(8) 70,000 shall have been designated the Series A-5 Preferred Stock, of which 66,028 shall be validly issued and outstanding, fully paid and nonassessable; and

(9) 8,000,000 shall have been designated the Series A-6 Preferred

Stock, none of which shall be issued and outstanding.

(c) Except (i) pursuant to the terms of this Agreement, (ii) at any time prior to the Stage I Closing, pursuant to the terms of the Amended and Restated Stockholders' Agreement, dated as of December 15, 2006, by and among the Corporation and the stockholders named therein, as amended to date (the "Existing Stockholders' Agreement"), (iii) as of and at all times following the Stage I Closing, pursuant to the terms of that certain Amended and Restated Stockholders' Agreement to be entered into in connection with the Stage I Closing, as contemplated by Section 7.2(b), in the form attached hereto as Exhibit B (the "Stockholders' Agreement"), and (iv) as set forth in Schedule 5.2 attached hereto, there are and, immediately following the Stage I Closing, there will be: (1) no outstanding warrants, options, rights, agreements, convertible securities or other commitments or instruments pursuant to which the Corporation is or may become obligated to issue, sell, repurchase or redeem any shares of capital stock or other securities of the Corporation (other than the 2003 Plan Option Shares); (2) no preemptive, contractual or similar rights to purchase or otherwise acquire shares of capital stock of the Corporation pursuant to any provision of law, the Restated Certificate, the by-laws of the Corporation (the "by-laws") or any agreement to which the Corporation is a party or may otherwise be bound; (3) no restrictions on the transfer of capital stock of the Corporation imposed by the Restated Certificate or by-laws of the Corporation, any agreement to which the Corporation is a party, any order of any court or any governmental agency to which the Corporation is subject, or any statute other than those imposed by relevant state and federal securities laws; (4) no cumulative voting rights for any of the Corporation' s capital stock; (5) no registration rights under the Securities Act of 1933, as amended (the "Securities Act"), with respect to shares of the Corporation' s capital stock; (6) to the Corporation' s Knowledge, no options or other rights to purchase shares of capital stock from stockholders of the Corporation granted by such stockholders; and (7) no agreements, written or oral, between the Corporation and any holder of its securities, or, to the Corporation' s Knowledge, among holders of its securities, relating to the acquisition, disposition or voting of the securities of the Corporation.

5.3 Authorization of this Agreement and the Stockholders' Agreement. The execution, delivery and performance by the Corporation of this Agreement and the Stockholders' Agreement and the consummation of the transactions contemplated hereby and thereby, including the Recapitalization and the Merger, have been duly authorized by all requisite action on the part of the Corporation. Each of this Agreement and the Stockholders' Agreement has been duly executed and delivered by the Corporation and constitutes a valid and binding obligation of the Corporation, enforceable in accordance with its respective terms. The execution, delivery and performance of this Agreement and the Stockholders' Agreement, the filing of the Restated Certificate and the compliance with the provisions hereof and thereof by the Corporation, will not:

(a) violate any provision of law, statute, ordinance, rule or regulation or any ruling, writ, injunction, order, judgment or decree of any court, administrative agency or other governmental body;

(b) conflict with or result in any breach of any of the terms, conditions or provisions of, or constitute (with due notice or lapse of time, or both) a default (or give rise to any right of termination, cancellation or acceleration) under (i) any agreement, document,

instrument, contract, understanding, arrangement, note, indenture, mortgage or lease to which the Corporation is a party or under which the Corporation or any of its assets is bound, which conflict, breach or default would have a Corporation Material Adverse Effect, (ii) the Restated Certificate, or (iii) the by-laws;

(c) result in the creation of any lien, security interest, charge or encumbrance upon any of the properties or assets of the Corporation; or

(d) conflict with any stockholder' s rights to participate in the transactions contemplated hereby, including but not limited to any rights to purchase Series A-1 Preferred Stock hereunder.

5.4 Authorization of Series A-1 Preferred Stock and Reserved Common Shares.

(a) The issuance, sale and delivery of the Series A-1 Preferred Stock pursuant to the terms hereof and the issuance sale and deliver of the Series A-2 Preferred Stock, the Series A-3 Preferred Stock and the Series A-4 Preferred Stock pursuant to the Recapitalization, have been duly authorized by all requisite action of the Corporation, and, when issued, sold and delivered in accordance with this Agreement or the Recapitalization, the shares of Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock and Series A-4 Preferred Stock will be validly issued and outstanding, fully paid and nonassessable, with no personal liability attaching to the ownership thereof, and, except as may be set forth in the Stockholders' Agreement (with respect to which the Corporation is in compliance with its obligations thereunder), not subject to preemptive or any other similar rights of the stockholders of the Corporation or others.

(b) The reservation, issuance, sale and delivery by the Corporation of the Reserved Common Shares and of all shares of Common Stock issuable upon conversion of shares of Series A-2 Preferred Stock, Series A-3 Preferred Stock and Series A-4 Preferred Stock have been duly authorized by all requisite action of the Corporation, and the Reserved Common Shares have been duly reserved in accordance with Section 2 of this Agreement. Upon the issuance and delivery of the Reserved Common Shares in accordance with the terms of this Agreement, the Reserved Common Shares will be validly issued and outstanding, fully paid and nonassessable and not subject to preemptive or any other similar rights of the stockholders of the Corporation or others.

5.5 Consents and Approvals. No authorization, consent, approval or other order of, or declaration to or filing with, any governmental agency or body (other than filings required to be made under applicable federal and state securities laws) or any other person, entity or association is required for: (a) the valid authorization, execution, delivery and performance by the Corporation of this Agreement and the Stockholders' Agreement; (b) the valid authorization, issuance, sale and delivery of the Series A-1 Preferred Stock; (c) the valid authorization, reservation, issuance, sale and delivery of the Reserved Common Shares; or (d) the filing of the Restated Certificate. The

Corporation has obtained all other consents that are necessary to permit the consummation of the transactions contemplated hereby and thereby, other than the Merger.

5.6 Business of the Corporation.

(a) Except as set forth in Schedule 5.6(a) of the Corporation' s Disclosure Schedule, the business of the Corporation (the "Business") is described in the executive summary of the Corporation, a copy of which is attached hereto as Exhibit C (the "Executive Summary").

(b) Schedule 5.6 of the Corporation' s Disclosure Schedule sets forth a list of all agreements or commitments to which the Corporation is a party or by which the Corporation or the Corporation' s assets and properties are bound that are material to the business of the Corporation as currently conducted, and, without limitation, of the foregoing, all of the types of agreements or commitments set forth below (each, a "Material Agreement"):

(i) agreements which require future expenditures by the Corporation in excess of $100,000 or which might result in payments to the Corporation in excess of $100,000;

(ii) employment and consulting agreements, employee benefit, bonus, pension, profit-sharing, stock option, stock purchase and similar plans and arrangements;

(iii) agreements involving research, development, or the license of Intellectual Property (as defined in Section 5.12) (other than research, development, or license agreements which require future expenditures by the Corporation in amounts less than $100,000 or which might result in payments to the Corporation in amounts less than $100,000 in each case that do not grant to a third party or to the Corporation any rights in connection with the commercialization of any products), the granting of any right of first refusal, or right of first offer or comparable right with respect to any Intellectual Property or payment or receipt by the Corporation of milestone payments or royalties;

(iv) agreements relating to a joint venture, partnership, collaboration or other arrangement involving a sharing of profits, losses, costs or liabilities with another person or entity;

(v) distributor, sales representative or similar agreements;

(vi) agreements with any current or former stockholder, officer or director of the Corporation or any "affiliate" or "associate" of such persons (as such terms are defined in the rules and regulations promulgated under the Securities Act), including without limitation agreements or other arrangements providing for the furnishing of services by, rental of real or personal property from, or otherwise requiring payments to, any such person or entity;

(vii) agreements under which the Corporation is restricted from carrying on any business, or competing in any line of business, anywhere in the world;

(viii) indentures, trust agreements, loan agreements or notes that involve or evidence outstanding indebtedness, obligations or liabilities for borrowed money;

(ix) agreements for the disposition of a material portion of the

Corporation' s assets (other than for the sale of inventory in the ordinary course of business);

(x) agreements of surety, guarantee or indemnification;

(xi) interest rate, equity or other swap or derivative instruments;

(xii) agreements obligating Corporation to register securities under the Securities Act; and

(xiii) agreements for the acquisition of any of the assets, properties, securities or other ownership interests of the Corporation or another person or the grant to any person of any options, rights of first refusal, or preferential or similar rights to purchase any of such assets, properties, securities or other ownership interests.

(c) The Corporation has no present expectation or intention of not fully performing all of its obligations under each Material Agreement and, to the Corporation' s Knowledge, there is no breach or anticipated breach by any other party or parties to any Material Agreements.

(d) All of the Material Agreements are valid, in full force and effect and binding against the Corporation and to the Corporation' s Knowledge, binding against the other parties thereto in accordance with their respective terms. Neither the Corporation, nor, to the Corporation' s Knowledge, any other party thereto, is in default of any of its obligations under any of the agreements or contracts listed on the Schedule 5.6 of the Corporation' s Disclosure Schedule, nor, to the Corporation' s Knowledge, does any condition exist that with notice or lapse of time or both would constitute a default thereunder. The Corporation has delivered to each Investor or its representative true and complete copies of all of the foregoing Material Agreements or an accurate summary of any oral Material Agreements (and all written amendments or other modifications thereto).

(e) Except as provided in Schedule 5.6(e) of the Corporation' s Disclosure Schedule: (i) there are no actions, suits, arbitrations, claims, investigations or legal or administrative proceedings pending or, to the Corporation' s Knowledge, threatened, against the Corporation, whether at law or in equity; (ii) there are no judgments, decrees, injunctions or orders of any court, government department, commission, agency, instrumentality or arbitrator entered or existing against the Corporation or any of its assets or properties for any of the foregoing or otherwise; and (iii) the Corporation has not admitted in writing its inability to pay its debts generally as they become due, filed or consented to the filing against it of a petition in bankruptcy or a petition to take advantage of any insolvency act, made an assignment for the benefit of creditors, consented to the appointment of a receiver for itself or for the whole or any substantial part of its property, or had a petition in bankruptcy filed against it, been adjudicated a bankrupt, or filed a petition or answer seeking reorganization or arrangement under the federal bankruptcy laws or any other laws of the United States or any other jurisdiction.

(f) Except as set forth in Schedule 5.6(f) of the Corporation' s Disclosure Schedule, the Corporation is in compliance with all obligations, agreements and conditions contained in any evidence of indebtedness or any loan agreement or other contract or agreement (whether or not relating to indebtedness) to which the Corporation is a party or is

subject (collectively, the "Obligations"), the lack of compliance with which could afford to any person the right to accelerate any indebtedness or terminate any right of or agreement with the Corporation. To the Corporation' s Knowledge all other parties to such Obligations are in compliance with the terms and conditions of such Obligations.

(g) Except for employment and consulting agreements set forth on Schedule 5.6 attached hereto and for agreements and arrangements relating to the 2003 Plan Option Shares and except as provided in Schedule 5.6(g) of the Corporation' s Disclosure Schedule, this Agreement and the Stockholders' Agreement, there are no agreements, understandings or proposed transactions between the Corporation and any of its officers, directors or other "affiliates" (as defined in Rule 405 promulgated under the Securities Act).

(h) To the Corporation' s Knowledge, no employee of or consultant to the Corporation is in violation of any term of any employment contract, patent disclosure agreement or any other contract or agreement, including, but not limited to, those matters

relating (i) to the relationship of any such employee with the Corporation or to any other party as a result of the nature of the Corporation' s Business as currently conducted, or (ii) to unfair competition, trade secrets or proprietary or confidential information.

(i) Each employee and director of or consultant to the Corporation, and each other person who has been issued shares of the Corporation' s Common Stock or options to purchase shares of the Corporation' s Common Stock is a signatory to, and is bound by, the Stockholders' Agreement and, in the case of Common Stock issued to employees, directors and consultants, a stock restriction agreement, all with stock transfer restrictions and rights of first offer in favor of the Corporation in a form previously approved by the Board of Directors of the Corporation (the "Board of Directors"). In addition, each such stock restriction agreement contains a vesting schedule previously approved by the Board of Directors.

(j) The Corporation does not have any collective bargaining agreements covering any of its employees or any employee benefit plans.

(k) The Corporation has at all times complied with all provisions of its by-laws and Restated Certificate, and is not in violation of or default under any provision thereof, any contract, instrument, judgment, order, writ or decree to which it is a party or by which it or any of its properties are bound, and the Corporation is not in violation of any material provision of any federal or state statute, rule or regulation applicable to the Corporation.

5.7 Disclosure. None of this Agreement, the Stockholders' Agreement or the Executive Summary, nor any document, certificate or instrument furnished to any of the Investors or their counsel in connection with the transactions contemplated by this Agreement, contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were made, not misleading. To the Corporation' s Knowledge, there is no fact which the Corporation has not disclosed to the Investors or their counsel which would reasonably be expected to result in a Corporation Material Adverse Effect.

5.8 Financial Statements. The Corporation has furnished to each of the

Investors a complete and accurate copy of (i) the unaudited balance sheet of the Corporation at December 31, 2010 and the related unaudited statements of operations and cash flows for the fiscal year then ended, and (ii) the unaudited balance sheet of the Corporation (the "Balance Sheet") at February 28, 2011 (the "Balance Sheet Date") and the related unaudited statements of operations and cash flows for the two month period then ended (collectively, the "Financial Statements"). The Financial Statements are in accordance with the books and records of the Corporation, present fairly the financial condition and results of operations of the Corporation at the dates and for the periods indicated, and have been prepared in accordance with generally accepted accounting principles ("GAAP") consistently applied, except, in the case of any unaudited Financial Statements, for the absence of footnotes normally contained therein and subject to normal and recurring year-end audit adjustments that are substantially consistent with prior year-end audit adjustments.

5.9 Absence of Undisclosed Liabilities. The Corporation has no liabilities of any nature (whether known or unknown and whether absolute or contingent), except for (a) liabilities shown on the Balance Sheet and (b) contractual and other liabilities incurred in the ordinary course of business which are not required by GAAP to be reflected on a balance sheet and which would not, either individually or in the aggregate, have or result in a Corporation Material Adverse Effect. The Corporation does not have any liabilities (and there is no basis for any present or, to the Corporation' s Knowledge, future proceeding against the Corporation giving rise to any liability) arising out of any personal injury and/or death or damage to property relating to or arising in connection with any clinical trials conducted by or on behalf of the Corporation.

5.10 Absence of Changes. Since the Balance Sheet Date and except as contemplated by this Agreement, there has been (i) no event or fact that individually or in the aggregate has had a Corporation Material Adverse Effect, (ii) no declaration, setting aside or payment of any dividend or other distribution with respect to, or any direct or indirect redemption or acquisition of, any of the capital stock of the Corporation, (iii) no waiver of any valuable right of the Corporation or cancellation of any debt or claim held by the Corporation, (iv) no

loan by the Corporation to any officer, director, employee or stockholder of the Corporation, or any agreement or commitment therefor, (v) no increase, direct or indirect, in the compensation paid or payable to any officer, director, employee or agent Corporation and no change in the executive management of the Corporation or the terms of their employment, (vi) no material loss, destruction or damage to any property of the Corporation, whether or not insured, (vii) no labor disputes involving the Corporation, or (viii) no acquisition or disposition of any assets (or any contract or arrangement therefor), nor any transaction by the Corporation otherwise than for fair value in the ordinary course of business.

5.11 Payment of Taxes. The Corporation has prepared and filed within the time prescribed by, and in material compliance with, applicable law and regulations, all federal, state and local income, excise or franchise tax returns, real estate and personal property tax returns, sales and use tax returns, payroll tax returns and other tax returns required to be filed by it, and has paid or made provision for the payment of all accrued and paid taxes and other charges to which the Corporation is subject and which are not currently due and payable. The federal income tax returns of the Corporation have never been audited by the Internal Revenue Service. Neither the Internal Revenue Service nor any other taxing authority is now asserting nor is

threatening to assert against the Corporation any deficiency or claim for additional taxes or interest thereon or penalties in connection therewith, and the Corporation does not know of any such deficiency or basis for such deficiency or claim.

5.12 Intellectual Property.

(a) Schedule 5.12(a) lists each patent, patent application, copyright registration or application therefor, mask work registration or application therefor, and trademark, trademark application, trade name, service mark and domain name registration or application therefor owned by the Corporation, licensed by the Corporation or otherwise used by the Corporation (collectively, the "Listed Rights"). For each of the Listed Rights set forth on Schedule 5.12(a), an assignment to the Corporation of all right, title and interest in the Listed Right (or license to practice the Listed Right if owned by others) has been executed. All employees of and consultants to the Corporation have executed an agreement providing for the assignment to the Corporation of all right, title and interest in any and all inventions, creations, works and ideas made or conceived or reduced to practice wholly or in part during the period of their employment or consultancy with the Corporation, including all Listed Rights, to the extent described in any such agreement and providing for customary provisions relating to confidentiality and non-competition.

(b) Except as set forth on Schedule 5.12(b), the Listed Rights comprise all of the patents, patent applications, registered trademarks and service marks, trademark applications, trade names, registered copyrights and all licenses that have been obtained by the Corporation, and which, to the Corporation' s Knowledge, are necessary for the conduct of the Business of the Corporation as now being conducted and as proposed to be conducted in the Executive Summary. Except as set forth on Schedule 5.12(b), the Corporation owns all of the Listed Rights and Intellectual Property, as hereinafter defined, free and clear of any valid and enforceable rights, claims, liens, preferences of any party against such Intellectual Property. To the Corporation' s Knowledge, except as set forth in Schedule 5.12(b), the Listed Rights and Intellectual Property are valid and enforceable rights and the practice of such rights does not infringe or conflict with the rights of any third party.

(c) To the Corporation' s Knowledge, the Corporation owns or has the right to use all Intellectual Property necessary (i) to use, manufacture, market and distribute the Customer Deliverables (as defined below) and (ii) to operate the Internal Systems (as defined below). The Corporation has taken all reasonable measures to protect the proprietary nature of each item of Corporation Intellectual Property (as defined below), and to maintain in confidence all trade secrets and confidential information that it owns or uses. To the Corporation' s Knowledge no other person or entity has any valid and enforceable rights to any of the Corporation Intellectual Property owned by the Corporation (except as set forth in Schedule 5.12(c)), and no other person or entity is infringing, violating or misappropriating any of the Corporation Intellectual Property.

(d) To the Corporation' s Knowledge, none of the Customer Deliverables, or the manufacture, marketing, sale, distribution, importation, provision or use thereof, infringes or violates, or constitutes a misappropriation of, any valid and enforceable Intellectual Property rights of any person or entity; and, to the Corporation' s Knowledge neither

the marketing, distribution, provision or use of any Customer Deliverables currently under development by the Corporation will, when such Customer Deliverables are commercially released by the Corporation, infringe or violate, or constitute a misappropriation of, any valid and enforceable Intellectual Property rights of any person or entity that exist today. To the Corporation' s Knowledge, none of the Internal Systems, or the use thereof, infringes or violates, or constitutes a misappropriation of, any valid and enforceable Intellectual Property rights of any person or entity.

(e) There is neither pending nor overtly threatened, or, to the Corporation' s Knowledge, any basis for, any claim or litigation against the Corporation contesting the validity or right to use any of the Listed Rights or Intellectual Property, and the Corporation has not received any notice of infringement upon or conflict with any asserted right of others nor, to the Corporation' s Knowledge, is there a basis for such a notice. To the Corporation' s Knowledge, no person, corporation or other entity is infringing the Corporation' s rights to the Listed Rights or Intellectual Property. Schedule 5.12(e) lists any complaint, claim or notice, or written threat thereof, received by the Corporation alleging any such infringement, violation or misappropriation, and the Corporation has provided to the Investors complete and accurate copies of all written documentation in the possession of the Corporation relating to any such complaint, claim, notice or threat. The Corporation has provided to the Investors complete and accurate copies of all written documentation in the Corporation' s possession relating to claims or disputes known to each of the Corporation concerning any Corporation Intellectual Property.

(f) Except as otherwise provided in Schedule 5.12(f), the Corporation, to the Corporation' s Knowledge has no obligation to compensate others for the use of any Listed Right or any Intellectual Property, nor has the Corporation granted any license or other right to use, in any manner, any of the Listed Rights or Intellectual Property, whether or not requiring the payment of royalties. Schedule 5.12(f) identities each license or other agreement pursuant to which the Corporation has licensed, distributed or otherwise granted any rights to any third party with respect to any Corporation Intellectual Property. Except as described in Schedule 5.12(f), the Corporation has not agreed to indemnify any person or entity against any infringement, violation or misappropriation of any Intellectual Property rights with respect to any Corporation Intellectual Property.

(g) Schedule 5.12(g) identifies each item of Corporation Intellectual Property that is owned by a party other than the Corporation, and the license or agreement pursuant to which the Corporation uses it (excluding off-the-shelf software programs licensed by the Corporation pursuant to "shrink wrap" licenses).

(h) The Corporation has not disclosed the source code for any software developed by it, or other confidential information constituting, embodied in or pertaining to such software, to any person or entity, except pursuant to the agreements listed in Schedule 5.12(h), and the Corporation has taken reasonable measures to prevent disclosure of any such source code.

(i) All of the copyrightable materials incorporated in or bundled with the Customer Deliverables have been created by employees of the Corporation within the scope

of their employment by the Corporation or by independent contractors of the Corporation who have executed agreements expressly assigning all right, title and interest in such copyrightable materials to the Corporation. Except as listed in Schedule 5.12(i), no portion of such copyrightable materials was jointly developed with any third party.

(j) To the Corporation' s Knowledge, the Customer Deliverables and the Internal Systems are free from significant defects or programming errors and conform in all material respects to the written documentation and specifications therefor.

(k) For purposes of this Agreement, the following terms shall have the following meanings:

(i) "Customer Deliverables" shall mean (a) the products that the Corporation (i) currently manufactures, markets, sells or licenses or (ii) currently plans to manufacture, market, sell or license in the future and (b) the services that the Corporation (i) currently provides or (ii) currently plans to provide in the future.

(ii) "Internal Systems" shall mean the internal systems of each of the Corporation that are presently used in its Business or operations, including, computer hardware systems, software applications and embedded systems.

(iii) "Intellectual Property" shall mean all: (A) patents, patent applications, patent disclosures and all related continuation, continuation-in-part, divisional, reissue, reexamination, utility model, certificate of invention and design patents, design patent applications, registrations and applications for registrations, including Listed Rights; (B) trademarks, service marks, trade dress, internet domain names, logos, trade names and corporate names and registrations and applications for registration thereof; (C) copyrights and registrations and applications for registration thereof; (D) mask works and registrations and applications for registration thereof; (E) computer software, data and documentation; (F) inventions, trade secrets and confidential business information, whether patentable or nonpatentable and whether or not reduced to practice, know-how, manufacturing and product processes and techniques, research and development information, copyrightable works, financial, marketing and business data, pricing and cost information, business and marketing plans and customer and supplier lists and information; (G) other proprietary rights relating to any of the foregoing (including remedies against infringements thereof and rights of protection of interest therein under the laws of all jurisdictions); and (H) copies and tangible embodiments thereof.

(iv) "Corporation Intellectual Property" shall mean the Intellectual Property owned by or licensed to the Corporation and incorporated in, underlying or used in connection with the Customer Deliverables or the Internal Systems.

(v) "Corporation' s Knowledge" shall mean (a) with respect to matters relating directly to the Corporation and its operations, the knowledge of Richard Lyttle, Nicholas Harvey, Louis O' Dea and Gary Hattersley (the "Officers") as well as other knowledge which such Officers would have possessed had they made diligent inquiry of appropriate employees and agents of the Corporation with respect to the matter in question; provided, that such Officers shall not be obligated to inquire further with respect to any list herein or in any

schedule hereto, and (b) with respect to external events or conditions, the actual knowledge of the Officers.

5.13 Securities Laws. Neither the Corporation nor anyone acting on its behalf has offered securities of the Corporation for sale to, or solicited any offers to buy the same from, or sold securities of the Corporation to, any person or organization, in any case so as to subject the Corporation, its promoters, directors and/or officers to any Liability under the Securities Act, the Securities and Exchange Act of 1934, as amended, or any state securities or "blue sky" law (collectively, the "Securities Laws"). The offer, grant, sale and/or issuance of the following were not, are not, or, as the case may be, will not be, in violation of the Securities Laws when offered, sold and issued in accordance with this Agreement and the 2003 Long-Term Incentive Plan, as amended:

(a) the Series A-1 Preferred Stock, as contemplated by this Agreement and the Exhibits and Schedules hereto, and in partial reliance upon the representations and warranties of the Investors set forth in Section 6 hereof;

(b) the Series A-2 Preferred Stock, the Series A-3 Preferred Stock and the Series A-4 Preferred Stock in the Recapitalization;

(c) the Common Stock issuable upon the conversion of Existing Preferred Stock in the Forced Conversion and the conversion of the Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock or Series A-4 Preferred Stock and in partial reliance upon the representations and warranties of the Investors set forth in Section 6 hereof; and

(d) the 2003 Plan Option Shares and stock options covering such shares.

5.14 Title to Properties.

(a) The Corporation has valid title to, or in the case of leased properties and assets, valid leasehold interests in, all of its properties and assets, necessary to conduct the Business in the manner in which it is currently conducted (in each case, free and clear of all liens, security interests, charges and other encumbrances of any kind, except liens for taxes not yet due and payable), including without limitation, all rights under any investigational drug application of the Corporation filed in the United States and in foreign countries, all rights pursuant to the authority of the FDA and any foreign counterparts to conduct clinical trials with respect to any investigational drug application filed with such agency relating to biologics or drugs relating to the Business and all rights, if any, to apply for approval to commercially market and sell biologics or drugs and none of such properties or assets is subject to any lien, security interest, charge or other encumbrance of any kind, other than those the material terms of which are described in Schedule 5.14(a).

(b) The Corporation does not own any real property or any buildings or other structures, nor have options or any contractual obligations to purchase or acquire any interest in real property. Schedule 5.14(b) lists all real property leases to which the Corporation is a party and each amendment thereto. All such current leases are in full force and effect, are

valid and effective in accordance with their respective terms, and there is not, under any of such leases, any existing default or event of default (or event that with notice or lapse of time, or both, would constitute a default). The Corporation, in its capacity as lessee, is not in violation of any zoning, building or safety ordinance, regulation or requirement or other law or regulation applicable to the operation of its leased properties, nor has it received any notice of violation with which it has not complied.

(c) The equipment, furniture, leasehold improvements, fixtures, vehicles, any related capitalized items and other tangible property material to the Business are in good operating condition and repair, ordinary wear and tear excepted.

5.15 Investments in Other Persons. Except as indicated in Schedule 5.15 attached hereto, (a) the Corporation has not made any loan or advance to any person or entity which is outstanding on the date hereof nor is it committed or obligated to make any such loan or advance, and (b) the Corporation has never owned or controlled and does not currently own or control, directly or indirectly, any subsidiaries and has never owned or controlled and does not currently own or control any capital stock or other ownership interest, directly or indirectly, in any corporation, association, partnership, trust, joint venture or other entity.

5.16 ERISA. Except as set forth in Schedule 5.16, neither the Corporation nor any entity required to be aggregated with the Corporation under Sections 414(b), (c), (m) or (n) of the Code (as hereinafter defined), sponsors, maintains, has any obligation to contribute to, has any liability under, or is otherwise a party to, any Benefit Plan. For purposes of this Agreement, "Benefit Plan" shall mean any plan, fund, program, policy, arrangement or contract, whether formal or informal, which is in the nature of (i) any qualified or non-qualified employee pension benefit plan (as defined in Section 3(2) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")) or (ii) an employee welfare benefit plan (as defined in section 3(1) of ERISA). With respect to each Benefit Plan listed in Schedule 5.16, to the extent applicable:

(a) Each such Benefit Plan has been maintained and operated in all material respects in compliance with its terms and with all applicable provisions of ERISA, the Internal Revenue Code of 1986, as amended (the "Code"), and all statutes, orders, rules, regulations, and other authority which are applicable to such Benefit Plan;

(b) All contributions required by law to have been made under each such Benefit Plan (without regard to any waivers granted under Section 412 of the Code) to any fund or trust established thereunder in connection therewith have been made by the due date thereof:

(c) Each such Benefit Plan intended to qualify under Section 401(a) of the Code is the subject of a favorable unrevoked determination letter issued by the Internal Revenue Service as to its qualified status under the Code, which determination letter may

still be relied upon as to such tax qualified status, and no circumstances have occurred that would adversely affect the tax qualified status of any such Benefit Plan;

(d) The actuarial present value of all accrued benefits under each such

Benefit Plan subject to Title IV of ERISA did not, as of the latest valuation date of such Benefit Plan, exceed the then current value of the assets of such Benefit Plan allocable to such accrued benefits, all as based upon the actuarial assumptions and methods currently used for such Benefit Plan;

(e) None of such Benefit Plans that are "employee welfare benefit plans" as defined in Section 3(1) of ERISA provides for continuing benefits or coverage for any participant or beneficiary of any participant after such participant' s termination of employment, except as required by applicable law; and

(f) Neither the Corporation nor any trade or business (whether or not incorporated) under common control with the Corporation within the meaning of Section 4001 of ERISA has, or at any time has had, any obligation to contribute to any "multiemployer plan" as defined in Section 3(37) of ERISA.

5.17 Use of Proceeds. The net proceeds received by the Corporation from the sale of the Series A-1 Preferred Stock shall be used by the Corporation generally for the purposes set forth in Schedule 5.17 attached hereto.

5.18 Permits and Other Rights; Compliance with Laws. The Corporation has all permits, licenses, registrations, certificates, accreditations, orders, authorizations or approvals from any Governmental Entity ("Permits") issued to or held by the Corporation. Other than the Permits listed on Schedule 5.18, there are no Permits, the loss or revocation of which would result in a Corporation Material Adverse Effect. The Corporation has all Permits necessary to permit it to own its properties and to conduct its Business as presently conducted and as proposed to be conducted. Each such Permit is in full force and effect and, to the Corporation' s Knowledge, no suspension or cancellation of such Permit is threatened and there is no basis for believing that such Permit will not be renewable upon expiration. The Corporation is in compliance in all material respects under each such Permit, and the transactions contemplated by this Agreement will not cause a violation under any of such Permits. The Corporation is in compliance in all material respects with all provisions of the laws and governmental rules and regulations applicable to its Business, properties and assets, and to the products and services sold by it, including, without limitation, all such rules, laws and regulations relating to fair employment practices and public or employee safety. The Corporation is in compliance with the Clinical Laboratories Improvement Act of 1967, as amended.

5.19 Insurance. Schedule 5.19 sets forth a true and complete list of all policies or binders of fire, theft, liability, product liability, workmen' s compensation, vehicular, directors' and officers' and other insurance held by or on behalf of the Corporation. Such policies and binders are in full force and effect, are in the amounts not less than is customarily obtained by corporations of established reputation engaged in the same or similar business and similarly situated and are in conformity with the requirements of all leases or other agreements to which the Corporation is a party and are valid and enforceable in accordance with their terms. The Corporation' s product liability insurance covers its clinical trials. The Corporation is not in default with respect to any provision contained in such policy or binder nor has the Corporation failed to give any notice or present any claim under any such policy or binder in due and timely fashion. There are no outstanding unpaid claims under any such policy or binder. The

Corporation has not received notice of cancellation or non-renewal of any such policy or binder.

5.20 Board of Directors. Except as provided in Schedule 5.20 attached hereto, the Corporation has not extended any offer or promise or entered into any agreement, arrangement, understanding or otherwise, whether written or oral, with any person or entity by

which the Corporation has agreed to allow such person or entity to participate, in any way, in the affairs of the Board of Directors, including without limitation, appointment or nomination as a member, or right to appear at, or receive the minutes of a meeting of the Board of Directors.

5.21 Books and Records. The minute books of the Corporation contain complete and accurate records of all meetings and other corporate actions of the stockholders and Boards of Directors and committees thereof. The stock ledger of the Corporation is complete and accurate and reflects all issuances, transfers, repurchases and cancellations of shares of capital stock of the Corporation.

5.22 Environmental Matters.

(a) The Corporation has not used, generated, manufactured, refined, treated, transported, stored, handled, disposed, transferred, produced, processed or released (together defined as "Release") any Hazardous Materials (as hereinafter defined) in any manner or by any means in violation of any Environmental Laws (as hereinafter defined). To the Corporation' s Knowledge, neither the Corporation nor any prior owner or tenant of the Property (as hereinafter defined) has Released any Hazardous Material or other pollutant or effluent into, on or from the Property in a way which can pose a risk to human health or the environment, nor is there a threat of such Release. As used herein, the term "Property" shall include, without limitation, land, buildings and laboratory facilities owned or leased by the Corporation or as to which the Corporation now has any duties, responsibilities (for clean-up, remedy or otherwise) or liabilities under any Environmental Laws, or as to which the Corporation or any subsidiary of the Corporation may have such duties, responsibilities or liabilities because of past acts or omissions of the Corporation or any such subsidiary or their predecessors, or because the Corporation or any such subsidiary or their predecessors in the past was such an owner or operator of, or some other relationship with, such land, buildings and/or laboratory facilities, all as more fully described in Schedule 5.22(a) of the Corporation' s Disclosure Schedule. The term "Hazardous Materials" shall mean (A) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," "hazardous air pollutants," "contaminants," "toxic chemicals," "toxins," "hazardous chemicals," "extremely hazardous substances," "pesticides," "oil" or related materials as defined in any applicable Environmental Law, or (B) any petroleum or petroleum products, oil, natural or synthetic gas, radioactive materials, asbestos-containing materials, urea formaldehyde foam insulation, radon, and any other substance defined or designated as hazardous, toxic or harmful to human health, safety or the environment under any Environmental Law.

(b) No notice of lien under any Environmental Laws has been filed against any Property of the Corporation.

(c) The use of the Property complies with lawful, permitted and

conforming uses in all material respects under all applicable building, tire, safety, subdivision, zoning, sewer, environmental, health, insurance and other such laws, ordinances, rules, regulations and plan approval conditions of any governmental or public body or authority relating to the use of the Property.

(d) Except as described in Schedule 5.22(d) of the Corporation' s Disclosure Schedule, to the Corporation' s Knowledge, the Property does not contain: (i) asbestos in any form; (ii) urea formaldehyde foam insulation; (iii) transformers or other equipment which contain dialectic fluid containing levels of polychlorinated biphenyls; (iv) radon; or (v) any other chemical, material or substance, the exposure to which is prohibited, limited or regulated by a federal, state or local government agency, authority or body, or which, even if not so regulated, to the Corporation' s Knowledge after reasonable investigation, may or could pose a hazard to the health and safety of the occupants of the Property or the owners or occupants of property adjacent to or in the vicinity of the Property.

(e) The Corporation has not received written notice that the Corporation is a potentially responsible party for costs incurred at a cleanup site or corrective action under any Environmental Laws. The Corporation has not received any written requests for information in connection with any inquiry by any Governmental Authority (as defined hereinafter) concerning disposal sites or other environmental matters. As used herein, "Governmental Authority" shall mean any nation or government, any federal, state, municipal, local, provincial, regional or other political subdivision thereof and any entity or person exercising executive, legislative, judicial, regulatory or

administrative functions of, or pertaining to, government, Schedule 5.22(e) of the Corporation' s Disclosure Schedule identifies all locations where Hazardous Materials used in whole or in part by the Business of the Corporation or resulting from the Business, facilities or Property of the Corporation have been stored or disposed of by or on behalf of the Corporation. As used herein, "Environmental Laws" shall mean all applicable federal, state and local laws, ordinances, rules and regulations that regulate, fix liability for, or otherwise relate to, the handling, use (including use in industrial processes, in construction, as building materials, or otherwise), storage and disposal of hazardous and toxic wastes and substances, and to the discharge, leakage, presence, migration, threatened Release or Release (whether by disposal, a discharge into any water source or system or into the air, or otherwise) of any pollutant or effluent. Without limiting the preceding sentence, the term "Environmental Laws" shall specifically include the following federal and state laws, as amended:

FEDERAL

Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. § 9601 et seq.; the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11001 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq.; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq.; the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. § 136 et seq.; the Toxic Substance Control Act, 15 U.S.C. § 2601 et seq.; the Oil Pollution Act of 1990, 33 U.S.C. § 1001 et seq.; the Hazardous Materials

Transportation Act, as amended, 49 U.S.C. § 1801 et seq.; the Atomic Energy Act, as amended 42 U.S.C. § 2011 et seq.; the Occupational Safety and Health Act, as amended, 29 U.S.C. § 651 et seq.; the Federal Food, Drug and Cosmetic Act, as amended 21 U.S.C. § 301 et seq. (insofar as it regulates employee exposure to Hazardous Substances); the Clean Air Act, 42 U.S.C. 7401 et. seq.

STATE

MASSACHUSETTS ENVIRONMENTAL STATUTES

Massachusetts Clean Waters Act, Mass. Gen. L. Ch. 21, Section 26, et. seq., and regulations thereto; Massachusetts Solid Waste Disposal Laws. Mass. Gen. L. Ch. 16, Section 18, et. seq., and Ch. 111, Section 1 05A, and regulations thereto; Massachusetts Oil and Hazardous Materials Release Prevention and Response Act, Mass. Gen. L., Ch. 21 E, Section 1, et. seq., and regulations thereto; Massachusetts Solid Waste Facilities Law, Mass. Gen. L., Ch. 21H, Section 1, et. seq., and regulations thereto; Massachusetts Toxic Use Reduction Act, Mass. Gen. L., Ch. 211, Section 1, et. seq., and regulations thereto; Massachusetts Litter Control Laws, Mass. Gen. L. Ch. 111. Section 1 50A, et. seq., and regulations thereto; Massachusetts Wetlands Protection Laws, Mass. Gen. L., Ch. 130, Section 105, et. seq., and regulations thereto; Massachusetts Environmental Air Pollution Control Law, Mass. Gen. L.. Ch. 101, Section 2B, et. seq., and regulations thereto; Massachusetts Environmental Policy Act, Mass. Gen. L. Ch. 30, Section 61, et. seq., and regulations thereto; and Massachusetts Hazardous Waste Laws, Mass. Gen. L. Ch. 21C, Section 1, et. seq., and regulations thereto.

(f) The Corporation has maintained all environmental and operating documents and records substantially in the manner and for the time periods required by the Environmental Laws and any other laws, regulations or orders and has never conducted an environmental audit except as disclosed in Schedule 5.22(f) of the Corporation' s Disclosure Schedule. For purposes of this Section 5.22(f), an environmental audit shall mean any evaluation, assessment, study or test performed at the request of or on behalf of a Governmental Authority, including, but not limited to, a public liaison committee, but does not include normal or routine inspections, evaluations or assessments which do not relate to a threatened or pending charge, restraining order or revocation of any permit, license, certificate, approval, authorization, registration or the like issued pursuant to the Environmental Laws and any other law, regulation or order.

(g) To the Corporation' s Knowledge, no part of the Property of the Corporation is (i) located within any wetlands area, (ii) subject to any wetlands regulations, or (iii) included in or is proposed for inclusion in, or abuts any property included in or proposed for inclusion in, the National Priority List or any similar state lists.

5.23 FDA Matters.

(a) The Corporation has (i) complied in all material respects with all applicable laws, regulations and specifications with respect to the manufacture, design, sale, storing, labeling, testing, distribution, inspection, promotion and marketing of all of the Corporation' s products and product candidates and the operation of manufacturing facilities promulgated by the U.S. Food and Drug Administration (the "FDA") or any corollary entity in any other jurisdiction and (ii) conducted, and in the case of any clinical trials conducted on its behalf, caused to be conducted, all of its clinical trials with reasonable care and in compliance in all material respects with all applicable laws and the stated protocols for such clinical trials.

(b) All of the Corporation' s submissions to the FDA and any corollary entity in any other jurisdiction, whether oral, written or electronically delivered, were true, accurate and complete in all material respects as of the date made, and remain true, accurate and complete in all material respects and do not misstate any of the statements or information included therein, or omit to state a fact necessary to make the statements therein not materially misleading.

(c) The Corporation has not committed any act, made any statement or failed to make any statement that would breach the FDA' s policy with respect to "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities" set forth in 56 Fed. Reg. 46191 (September 10, 1991) or any similar laws, rules or regulations, whether under the jurisdiction of the FDA or a corollary entity in any other jurisdiction, and any amendments or other modifications thereto. Neither the Corporation nor, to the Corporation' s Knowledge, any officer, employee or agent of the Corporation has been convicted of any crime or engaged in any conduct that would reasonably be expected to result in (i) debarment under 21 U.S.C. Section 335a or any similar state or foreign law or regulation or (ii) exclusion under 42 U.S.C. Section 1320a 7 or any similar state or foreign law or regulation, and neither the Corporation nor, to the Corporation' s Knowledge, any such person has been so debarred or excluded.

(d) The Corporation has not sold or marketed any products prior to receiving any required or necessary approvals or consents from any federal or state governmental authority, including but not limited to the FDA under the Food, Drug & Cosmetics Act of 1976, as amended, and the regulations promulgated thereunder, or any corollary entity in any jurisdiction. The Corporation has not received any notice of, nor is the Corporation aware of any, actions, citations, warning letters or Section 305 notices from the FDA or any corollary entity.

5.24 Compliance with Privacy Laws

(a) For purposes of this Agreement:

(i) "Foreign Privacy Laws" shall mean (a) the Directive 95/46/EC of the Parliament and of the Council of the European Union of 24 October 1995 on the protection of individuals with regard to the collection, use, disclosure, and processing of personal data and on the free movement of such data, (b) the corresponding national rules, regulations, codes, orders, decrees and rulings thereunder of the member states of the European Union and (c) any rules, regulations, codes, orders, decree, and rulings thereunder related to privacy, data protection or data transfer issues implemented in other countries.

(ii) "US Privacy Laws" shall mean any rules, regulations, codes, orders, decrees, and rulings thereunder of any federal, state, regional, county, city, municipal or local government of the United States or any department, agency, bureau

or other administrative or regulatory body obtaining authority from any of the foregoing that relate to privacy, data protection or data transfer issues, including all implementing laws, ordinances or regulations, including, without limitation, the Health Insurance Portability and Accountability Act of 1996, as amended; the Children' s Online Privacy Protection Act (COPPA) of 1998, as amended; the Financial Modernization Act (Graham-Leach-Bliley Act) of 2000, as amended; the Fair Credit Reporting Act of 1970, as amended; the Privacy Act of 1974, as amended; the Family Education Rights and Privacy Act of 1974, as amended; the Right to Financial Privacy Act of 1978, as amended; the Privacy Protection Act of 1980, as amended; the Cable Communications Policy Act of 1984, as amended; the Electronic Communications Privacy Act of 1986, as amended; the Video Privacy Protection Act of 1988, as amended; the Telephone Consumer Protection Act of 1991, as amended; the Driver' s Privacy Protection Act of 1994, as amended; the Communications Assistance for Law Enforcement Act of 1994, as amended; the Telecommunications Act of 1996, as amended; and any implementing regulations related thereto;

(b) The Corporation is currently and has been at all times in compliance in all material respects with all Foreign Privacy Laws and US Privacy Laws; and the Corporation has not received notice (in writing or otherwise) regarding violation of such Foreign Privacy Laws or US Privacy Laws.

(c) No action, suit, proceeding, investigation, charge, complaint, claim, demand, or notice has been filed or commenced against the Corporation, nor to the Corporation' s Knowledge threatened against the Corporation, relating to Foreign Privacy Laws and US Privacy Laws; nor has the Corporation incurred any material liabilities (whether accrued, absolute, contingent or otherwise) under any Foreign Privacy Laws or US Privacy Laws.

(d) Health Insurance Portability and Accountability Act of 1996. The Corporation (i) has assessed the applicability of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations (collectively, "HIPAA") to the Corporation, including the fully insured and self-insured health plans that the Corporation sponsors or has sponsored or contributes to or has contributed to and health care provider activities, if any, in which the Corporation engages, (ii) has complied in all relevant respects with HIPAA, including 45 C.F.R. Part 160 and Subparts A and E of Part 164 (the "HIPAA Privacy Rule"), including but not limited to HIPAA Privacy Rule requirements relating to health information use and disclosure, notices of privacy rights, appointment of a Privacy Officer, adoption of a privacy policy, amendment of plan documents, and implementation of employee training as to the handling of protected health information, and (iii) if required under the HIPAA Privacy Rule, has entered into business associate agreements on behalf of the Corporation' s health plans covering the handling of protected health information with vendors and others categorized under HIPAA as business associates of the Corporation' s health plans.

(e) Other Health Information Laws. Without limiting the generality of Section 5.24(a) through Section 5.24(d),

(i) the Corporation is currently, and has been at all times since its incorporation, in compliance in all material respects with all applicable health insurance, health information security, health information privacy, and health information transaction format Laws (each a "Health Information Law"), including, without limitation, any rules, regulations, codes, orders, decrees, and rulings thereunder of any federal, state, regional, county, city, municipal or local government, whether foreign or domestic, or any department, agency, bureau or other administrative or regulatory body obtaining authority from any of the foregoing; and

(ii) no action, suit, proceeding, investigation, charge, complaint, claim, demand, or notice has been filed or commenced against the Corporation nor to the Corporation' s Knowledge threatened against the Corporation, alleging any failure to comply with any Health Information Law; nor has the Corporation incurred any material liabilities (whether accrued, absolute, contingent or otherwise) under any Health Information Law.

5.25 Health Care and Affiliated Transactions; Stark and Anti-Kickback Laws.

(a) For purposes of the Stark II law and implementing regulations, if applicable, none of the directors or officers of the Corporation, or physicians employed by the Corporation, any other affiliates of the Corporation, or any of their respective

immediate family members is (i) to the Corporation' s Knowledge, a partner or stockholder or has any other economic interest in any customer or supplier of the Corporation; (ii) a party to any transaction or contract with the Corporation; or (iii) indebted to the Corporation. The Corporation has not paid, or incurred any obligation to pay, any fees, commissions or other amounts to and is not a party to any agreement, business arrangement or course of dealing with any firm of or in which any of directors, officers or affiliates of the Corporation, or any of their respective immediate family members, is a partner or stockholder or has any other economic interest, other than ownership of less than one percent (1%) of a publicly traded corporation. No physician or family member of a physician has a financial relationship with the Corporation in violation of Section 1877 of the Social Security Act. The Corporation has made all filings required by Section 1877 of the Social Security Act.

(b) The Corporation has complied with all applicable state and federal "anti-kickback," fraud and abuse, false claims and related statutes and regulations. The Corporation has received no notice of nor is otherwise aware of any inquiries, audits, subpoenas or other investigations involving Corporation by the U.S. Department of Health and Human Services, the U.S. Office of Inspector General, any U.S. Attorney' s Office or any other federal or state agency with jurisdiction over such statutes or regulations.

SECTION 6. Representations and Warranties of the Investor to the Corporation.

The Investor represents and warrants to the Corporation as follows:

(a) It is acquiring the Series A-1 Preferred Stock and, in the event it should acquire Reserved Common Shares upon conversion of the Series A-1 Preferred Stock, it will be acquiring such Reserved Common Shares, for its own account, for investment and not with a view to the distribution thereof within the meaning of the Securities Act.

(b) It is an "accredited investor" as such term is defined in Rule 501(a) promulgated under the Securities Act.

(c) It agrees that the Corporation may place a legend on the certificates delivered hereunder stating that the Series A-1 Preferred Stock and any Reserved Common Shares have not been registered under the Securities Act, and, therefore, cannot be offered, sold or transferred unless they are registered under the Securities Act or an exemption from such registration is available and that the offer, sale or transfer of the Series A-1 Preferred Stock and any Reserved Common Shares is further subject to any restrictions imposed by this Agreement and the Stockholders' Agreement.

(d) The execution, delivery and performance by it of this Agreement have been duly authorized by all requisite action of it.

(e) It further understands that the exemptions from registration afforded by Rule 144 and Rule 144A (the provisions of which are known to it) promulgated under the Securities Act depend on the satisfaction of various conditions, and that, if applicable, Rule 144 may afford the basis for sales only in limited amounts.

(f) It has such knowledge and experience in business and financial matters and with respect to investments in securities of privately-held companies so as to enable it to understand and evaluate the risks of its investment in the Series A-1 Preferred Stock and form an investment decision with respect thereto. It has been afforded the opportunity during the course of negotiating the transactions contemplated by this Agreement to ask questions of, and to secure such information from, the Corporation and its officers and directors as it deems necessary to evaluate the merits of entering into such transactions.

(g) It is duly organized and validly existing and has the power and authority to enter into this Agreement and it has not been organized, reorganized or recapitalized specifically for the purpose of acquiring the securities of the Corporation.

(h) It has adequate net worth and means of providing for its current needs and personal contingencies to sustain a complete loss of its investment in the Corporation. The Investors understand that the foregoing representations and warranties shall be deemed material and to have been relied upon by the Corporation.

SECTION 7. Closing Conditions.

(a) It shall be a condition precedent to the obligations of the Corporation hereunder to be performed at the Stage I Closing, as to the Investor that the representations and warranties contained herein of the Investor hereunder shall be true and correct as of the date of such Closing with the same force and effect as though such representations and warranties had been made on and as of such date.

(b) The Stage I Closing pursuant to the April 25 Agreement shall have occurred or, if the Closing takes place on May 17, 2011, shall occur concurrently with the Closing hereunder, and in each case the sale of stock under such Agreement shall be at a per

share purchase price equal to that hereunder and aggregate proceeds to the Company shall not be at less $20 million.

(c) Ipsen has become a party to the Amended and Restated Stockholders' Agreement dated April 25, 2011 among the Company and the other parties named therein.

SECTION 8. Acknowledgement Regarding the Merger.

The Investor hereby, in its capacity as a future stockholder of the Corporation, (a) acknowledges that such Investor is aware that the Corporation has, prior to the execution and delivery of this Agreement, entered into an Agreement and Plan of Merger with MPMAC and Merger Sub with respect to the proposed Merger, an executed copy of which is attached hereto as Exhibit F (the "Merger Agreement"), and (b) acknowledges that such Investor has received and reviewed the Merger Agreement.

SECTION 9. Expenses and Fees.

The Corporation shall pay, and hold the Investor harmless against all liability for the payment of all costs and other expenses incurred by the Investor in connection with the Corporation' s performance of and compliance with all agreements and conditions contained herein or contemplated hereby on its part to be performed or complied with. The Corporation further agrees that it will pay, and hold the Investor harmless from, any and all liability with respect to any stamp or similar taxes which may be determined to be payable in connection with the execution and delivery of this Agreement or any modification, amendment or alteration of the terms or provisions of this Agreement and that it will similarly pay, and hold the Investor harmless from, all issue taxes in respect of the issuance of the Series A-1 Preferred Stock to the Investor. the

SECTION 10. Certain Covenants.

Without the prior written consent of the holders of a majority of the shares of Series A-1 Preferred Stock issued and outstanding at the time (the "Majority Investors"), the Corporation shall not issue any shares of Series A-1 Preferred Stock or any securities convertible into shares of Series A-1 Preferred Stock other than (i) Excluded Stock (as defined in the Certificate of Incorporation of the Corporation), (ii) pursuant to the terms of this Agreement or (iii) pursuant to agreements, warrants or arrangements described on **Schedule 10** hereof.

SECTION 11. Brokers or Finders.

The Corporation represents and warrants to the Investor, and the Investor represents and warrants to the Corporation, that, other than Leerink Swann LLC, which has acted as advisor to the Corporation in connection with the transactions contemplated by this Agreement, no person or entity has or will have, as a result of the transactions contemplated by this Agreement, any right, interest or valid claim against or

upon the Corporation or the Investors for any commission, fee or other compensation as a finder or broker because of any act or omission by the Corporation or the Investor or by any agent of the Corporation or the Investors.

SECTION 12. Exchanges Lost. Stolen or Mutilated Certificates.

Upon surrender by the Investor to the Corporation of shares of Series A-1 Preferred Stock or Reserved Common Shares acquired by such Investor hereunder, the Corporation, at its expense, will issue in exchange therefor, and deliver to such Investor, a new certificate or certificates representing such shares in such denominations as may be requested by such Investor. Upon receipt of evidence satisfactory to the Corporation of the loss, theft, destruction or mutilation of any certificate representing any shares of Common Stock or Preferred Stock purchased or acquired by any Investor hereunder and, in case of any such loss, theft or destruction, upon delivery of any indemnity agreement satisfactory to the Corporation, or in case of any such mutilation, upon surrender and cancellation of such certificate, the Corporation, at its expense, will issue and deliver to such Investor a new certificate for such shares of Common Stock or Preferred Stock, as applicable, of like tenor, in lieu of such lost, stolen or mutilated certificate.

SECTION 13. Survival of Representations and Warranties.

The representations and warranties set forth in Sections 5 and 6 hereof shall survive the Closings indefinitely.

SECTION 14. Indemnification.

The Corporation shall indemnify, defend and hold the Investor harmless against any and all liabilities, loss, cost or damage, together with all reasonable costs and expenses related thereto (including legal and accounting fees and expenses), arising from, relating to, or connected with the untruth, inaccuracy or breach of any statements, representations, warranties or covenants of the Corporation contained herein, including, but not limited to, all statements, representations, warranties or covenants concerning environmental matters.

SECTION 15. Remedies.

In case any one or more of the representations, warranties, covenants and/or agreements set forth in this Agreement shall have been breached by any party hereto, the party or parties entitled to the benefit of such representations, warranties, covenants or agreements may proceed to protect and enforce its or their rights either by suit in equity and/or action at law, including, but not limited to, an action for damages as a result of any such breach and/or an action for specific performance of any such covenant or agreement contained in this Agreement. The rights, powers and remedies of the parties under this Agreement are cumulative and not exclusive of any other right, power or remedy which such parties may have under any other agreement or law. No single or partial assertion or exercise of any right, power or remedy of a party hereunder shall preclude any other or further assertion or exercise thereof.

SECTION 16. Successors and Assigns.

Except as otherwise expressly provided herein, this Agreement shall bind and inure to the benefit of the Corporation and the Investor and the respective permitted successors and assigns of the Investor and the permitted successors and assigns of the Corporation. Subject to the provisions of Sections 3.1, 3.2, 3.3 and 3.10 of the Stockholders' Agreement, this Agreement and

the rights and duties of the Investor set forth herein may be freely assigned, in whole or in part, by the Investor. Neither this Agreement nor any of the rights or duties of the Corporation set forth herein shall be assigned by the Corporation, in whole or in part, without having first received the written consent of the Majority Investors. Notwithstanding the foregoing, upon the consummation of the Merger and with respect to all times following the consummation of the Merger, (i) the Corporation shall, and hereby does, assign all of its rights, duties and

obligations under this Agreement to MPMAC and (ii) all references to the "Corporation" in this Agreement and to its capital stock or any other aspects of the Corporation shall be deemed to be references to MPMAC and its capital stock and other applicable aspects of MPMAC. MPMAC, by executing this Agreement as an anticipated successor and assign to the Corporation, does hereby assume, effective upon the consummation of the Merger, all of the Corporation' s rights, duties and obligations under this Agreement and Radius will be released from its duties and obligations under this Agreement. All parties to this Agreement hereby consent to the assignment and assumption contemplated between the Corporation and MPMAC set forth in this paragraph.

SECTION 17. Entire Agreement.

This Agreement, together with the other writings referred to herein, including the Restated Charter and the Stockholders' Agreement, or delivered hereunder and which form a part hereof, contains the entire agreement among the parties with respect to the subject matter hereof and amends, restates and supersedes all prior and contemporaneous arrangements or understandings, whether written or oral, with respect thereto.

SECTION 18. Notices.

All notices, requests, consents and other communications hereunder to any party shall be deemed to be sufficient if contained in a written instrument delivered in person or duly sent by first class registered, certified or overnight mail, postage prepaid, or telecopied or e-mailed with a confirmation copy by regular mail, addressed, telecopied or e-mailed, as the case may be, to such party at the address, telecopier number or e-mail address, as the case may be, set forth below or such other address, telecopier number or e-mail address, as the case may be, as may hereafter be designated in writing by the addressee to the addressor listing all parties:

(i) if to the Corporation. to:

Radius Health, Inc.
201 Broadway
Sixth Floor
Cambridge, MA 02139
Attention: B. Nicholas Harvey
Telecopier: (617) 444-1834
E-mail: bnharvey@radiuspharm.com

with a copy to:

Bingham McCutchen
One Federal Street
Boston. MA 02110-1726

Attention: Julio E. Vega, Esq.
Telecopier: (617) 951-8736
E-mail: Julio.vega@bingham.com

(ii) if to Investor, as set forth on Schedule 1.

All such notices, requests, consents and other communications shall be deemed to have been received: (a) in the case of personal delivery, on the date of such delivery; (b) in the case of mailing, on the third business day following the date of such mailing; (c) in the case of overnight mail, on the first business day following the date of such mailing; (d) in the case of facsimile transmission, when confirmed by facsimile machine report; or (e) in the case of e-mail delivery, when confirmed by the sender' s e-mail system.

SECTION 19. Changes.

The terms and provisions of this Agreement may not be modified or amended, or any of the provisions hereof waived, temporarily or permanently, except pursuant to a writing executed by a duly authorized representative of the Corporation, MPMAC and the Investor..

SECTION 20. Counterparts.

This Agreement may be executed in any number of counterparts, and each such counterpart shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.

SECTION 21. Headings.

The headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of this Agreement.

SECTION 22. Nouns and Pronouns.

Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of names and pronouns shall include the plural and vice-versa.

SECTION 23. Severability.

Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 24. Further Assurances.

The parties shall cooperate reasonably with each other in connection with any steps

required to be taken as part of their respective obligations under this Agreement, and shall furnish upon request to each other such further information, execute and deliver to each other such other documents, and do such other acts and things, all as the other party may reasonably request for purposes of carrying out the intend of this Agreement and consummating the transactions contemplated hereby.

SECTION 25. Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, excluding choice of laws rules thereof.

(*Remainder of Page Left Intentionally Blank.*)

(Signature Page to Stock Purchase Agreement)

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

THE CORPORATION:

RADIUS HEALTH, INC.

By: _____
Name: C. Richard Edmund Lyttle
Title: President

As an anticipated successor and assign to the Corporation under Section 16 hereof:

MPM ACQUISITION CORP.

By: _____
Name: C. Richard Edmund Lyttle
Title: President

INVESTOR:

IPSEN PHARMA SAS

By: _____
Name: Marc de Garidel
Title: Chairman and CEO

Schedule I

Name of Investors	Address of Record	Stage I Preferred Shares
Ipsen Pharma SAS	Attn: Ipsen Pharma SAS 42 Rue du Docteur Blanche 75016 Paris, France	*See calculation in Section 3.2*
TOTAL:		

Exhibit A

Form of Restated Certificate

FOURTH AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION

OF

RADIUS HEALTH, INC.

(Pursuant to Section 242 and 245 of the
General Corporation Law of the State of Delaware)

Radius Health, Inc., a Delaware corporation hereby certifies as follows:

1. The name of the corporation is Radius Health, Inc. (the "Corporation"). The Corporation filed its original Certificate of Incorporation with the Secretary of State of the State of Delaware on October 3, 2003 and the name under which it was originally incorporated was NuVios, Inc.

2. This Fourth Amended and Restated Certificate of Incorporation (the "Certificate") amends, restates and integrates the provisions of the Third Amended and Restated Certificate of Incorporation as heretofore in effect (the "Prior Certificate"), has been duly adopted in accordance with the provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware ("DGCL"), and has been approved by written consent of the stockholders of the Corporation in accordance with the provisions of Section 228 of the DGCL (prompt notice of such action having been given to those stockholders who did not consent in writing).

3. Effective immediately at the effective date of the filing of this Certificate (the "Effective Time"), the Prior Certificate, as heretofore amended, is hereby further amended and restated to read in its entirety as follows:

ARTICLE I
Name

The name of the corporation is Radius Health, Inc.

ARTICLE II
Purpose

The Corporation is organized to engage in any lawful act or activity for which a corporation may be organized under the DGCL.

ARTICLE IIA
Reverse Split

Simultaneously with the Effective Time (the "Split Effective Date"), a reverse split (the "Reverse Split") of the Corporation' s outstanding capital stock shall occur as follows: (a) each share of Common Stock issued and outstanding or held as treasury shares immediately prior to the Split Effective Date (the "Old Common Stock") shall automatically without any action on the part of the holder thereof, be reclassified and changed into 0.06666667 of one share of Common Stock from and after the Split Effective Date (the "New Common Stock"), (b) each share of Series A Stock issued and outstanding or held as treasury shares immediately prior to the Split Effective Date (the "Old Series A Stock") shall automatically without any action on the part of the holder thereof, be reclassified and changed into

0.06666667 of one share of Series A Stock from and after the Split Effective Date (the "New Series A Stock"), (c) each share of Series B Stock issued and outstanding or held as treasury shares immediately prior to the Split Effective Date (the "Old Series B Stock") shall automatically without any action on the part of the holder thereof, be reclassified and changed into 0.06666667 of one share of Series B Stock from and after the Split Effective Date (the "New Series B Stock") and (d) each share of Series C Stock issued and outstanding or held as treasury shares immediately prior to the Split Effective Date (the "Old Series C Stock") shall automatically without any action on the part of the holder thereof, be reclassified and changed into 0.06666667 of one share of Series C Stock from and after the Split Effective Date (the "New Series C Stock"). No fractional shares of Common Stock or Preferred Stock shall be issued upon such reclassification effected by the Reverse Split. Rather, if such reclassification would result in the issuance of any fractional share to any stockholder after aggregating all fractional shares of any class or series of stock otherwise issuable to such stockholder, the Corporation shall, in lieu of issuing any fractional share to such stockholder, pay a cash amount to such stockholder equal to the sum of (A) the product of any fractional share of New Common Stock pertaining to such stockholder multiplied by $8.142, (B) the product of any fractional share of New Series A Stock pertaining to such stockholder multiplied by $8.142, (C) the product of any fractional share of New Series B Stock pertaining to such stockholder multiplied by $8.142 and (D) the product of any fractional share of New Series C Stock pertaining to such stockholder multiplied by $8.142. Subject to the rest of the provisions of this Certificate, each holder of a certificate or certificates, which immediately prior to the Split Effective Date represented outstanding shares of Old Common Stock, Old Series A Stock, Old Series B Stock and Old Series C Stock, as applicable (the "Old Certificates"), shall, from and after the Split Effective Date, be entitled to receive upon surrender of such Old Certificates to the Corporation' s transfer agent for cancellation, a certificate or certificates (the "New Certificates") representing the shares of New Common Stock, New Series A Stock, New Series B Stock and New Series C Stock, as applicable, into which the shares of Old Common Stock, Old Series A Stock, Old Series B Stock and Old Series C Preferred Stock formerly represented by such Old Certificates so surrendered are reclassified under the terms hereof. All stock numbers and prices set forth in this Certificate (including, without limitation, those share numbers set forth in Article III) give effect to the Reverse Split and no further adjustments are necessary with respect thereto.

ARTICLE III
Capital Stock

Authorization. The total number of shares of all classes of stock which the Corporation shall have authority to issue is Seventy-six Million Thirty-four Thousand Twenty-nine (76,034,029) shares, consisting of Sixty Three Thousand (63,000) shares of Series A Junior Convertible Preferred Stock, par value $.01 per share (the "Series A Stock"), One Million Six Hundred Thousand (1,600,000) shares of Series B Convertible Redeemable Preferred Stock, par value $.01 per share (the "Series B Stock"), Ten Million One Hundred Forty-six Thousand Six Hundred Twenty-nine (10,146,629) shares of Series C Convertible Preferred Stock, par value $.01 per share, (the "Series C Stock", and together with the Series B Stock, the "Existing Senior Preferred Stock", and collectively with the Series A Stock and Series B Stock, the "Existing Preferred Stock"), Ten Million (10,000,000) shares of Series A-1 Convertible Preferred Stock, par value $.01 per share (the "Series A-1 Stock"), Nine Million Eight Hundred Thirty-two Thousand One Hundred Thirty-three (9,832,133) shares of Series A-2 Convertible Preferred Stock, par value $.01 per share (the "Series A-2 Stock"), One Million Four Hundred Twenty-two Thousand Three Hundred (1,422,300) shares of Series A-3 Convertible Preferred Stock, par value $.01 per share, (the "Series A-3 Stock" and together with the Series A-1 Stock and Series A-2 Stock, the "Participating Preferred Stock"), Forty Thousand and Three (40,003) shares of Series A-4 Convertible Preferred Stock, par value $.01 per share (the "Series A-4 Stock"), Seventy Thousand (70,000) shares of Series A-5 Convertible Preferred Stock, par value $.01 per share (the "Series A-5 Stock") and Eight Million (8,000,000) shares of Series A-6 Convertible Preferred Stock, par value $.01 per share (the "Series A-6

Stock", and together with the Series A-1 Stock, the Series A-2 Stock, the Series A-3 Stock, the Series A-4 Stock and the Series A-5 Stock, the "New Preferred Stock"), and Thirty-four Million Eight Hundred Fifty-nine Thousand Nine Hundred Sixty-four (34,859,964) shares of Common Stock, par value $.01 per share (the "Common Stock").

SPECIAL NOTE: ***The terms, conditions, designations, preferences and privileges of the Existing Preferred Stock are set forth below in Part A of this Article III, however, it is expected that upon the Stage I Closing (as defined in the Series A-1 Purchase Agreement) of the Qualified Financing (as defined herein), all shares of Existing Preferred Stock will be converted into shares of New Preferred Stock***

or Common Stock, the terms, conditions, designations, preferences and privileges of which are set forth in Part B and Part C of this Article III, respectively.

PART A. EXISTING PREFERRED STOCK

1. Designation and Amount. The number of shares, powers, terms, conditions, designations, preferences and privileges, relative, participating, optional and other special rights, and qualifications, limitations and restrictions, if any, of the Existing Preferred Stock shall be as set forth in this Part A. The number of authorized shares of the Series A Stock is Sixty Three Thousand (63,000), the number of authorized shares of the Series B Stock is One Million Six Hundred Thousand (1,600,000), and the number of authorized shares of the Series C Stock is Ten Million One Hundred Forty-six Thousand Six Hundred Twenty-nine (10,146,629).

2. Ranking. The Corporation' s shares of Series C Stock shall rank, as to dividends and upon Liquidation (as defined in Section A.4(b) hereof) and Event of Sale (as defined in Section A.4(h) hereof), equally with each other and senior and prior to the Corporation' s shares of Series B Stock and Series A Stock. The Corporation' s shares of Series B Stock shall rank, as to dividends and upon Liquidation and Event of Sale, equally with each other and senior and prior to the Corporation' s shares of Series A Stock. With respect to dividends, Liquidation and Event of Sale prior, the Series A Stock, Series B Stock and Series C Stock shall rank senior and prior to the Corporation' s Common Stock and to all other classes or series of stock issued by the Corporation, except as otherwise approved by the affirmative vote or consent of the holders shares of Existing Senior Preferred Stock representing at least a majority of the shares of the voting power of the Existing Senior Preferred Stock then outstanding (determined as set forth in the second sentence of Section A.6(a) hereof) (the "Existing Senior Majority").

3. Dividend Provisions.

(a) Series C Stock. The holders of shares of the Series C Stock shall be entitled to receive dividends at the rate of 8% of the Series C Original Purchase Price (as defined in Section A.8 hereof) per annum, compounding annually, and which will accrue on a quarterly basis commencing on the applicable date of issuance of each of such shares of Series C Stock. The holders of Series C Stock shall be entitled to receive dividends prior in right to the payment of dividends and other distributions (whether in cash, property or securities of the Corporation, including subscription or other rights to acquire securities of the Corporation) on the Series B Stock, Series A Stock and Common Stock. Dividends hereunder shall be payable in cash, when, as and if declared or paid by the Board of Directors and, as accrued, on any Liquidation (as defined in Section A.4(b) hereof) or Event of Sale (as defined in Section A.4(h)(vii) hereof), or upon any Redemption Date (as defined in Section A.5(c) hereof). Dividends hereunder shall be payable in shares of Common Stock (calculated based upon the then effective Series C Conversion Price), as accrued, upon the conversion of the Series C Stock into Common Stock. Whenever any dividend may be declared or paid on any shares of Series C Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series C Stock then outstanding, so that all outstanding shares of Series C Stock

will participate equally with each other and ratably per share (calculated as provided in Section A.3(d) hereof). Whenever any dividend or other distribution, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series C Stock then outstanding so that all outstanding shares of Series C Stock will participate in such dividend ratably with such shares of Common Stock (calculated as provided in Section A.3(d) hereof); or (ii) any shares of any other series of Preferred Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same or equivalent rate upon each share of the Series C Stock then outstanding so that all outstanding shares of Series C Stock will participate in such dividend ratably with such shares of such other series of Preferred Stock (based on the number of shares of Common Stock into which each share Series C Stock and each share of such other series of Preferred Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of such other series of Preferred Stock as compared with the Series C Stock then outstanding).

(b) Series B Stock. Following payment in full of required dividends to the holders of Series C Stock in accordance with Section A.3(a) above, the holders of shares of the Series B Stock shall be entitled to receive dividends at the rate of 8% of the Series B Original Purchase Price (as defined in Section A.8 hereof) per annum, compounding annually, and which will accrue on a quarterly basis commencing on the applicable date of issuance of each of such shares of Series B Stock. The holders of Series B Stock shall be entitled to receive dividends prior in right to the payment of dividends and other distributions (whether in cash, property or securities of the Corporation, including subscription or other rights to acquire securities of the Corporation) on the Series A Stock and Common Stock. Dividends hereunder shall be payable in cash, when, as and if declared or paid by the Board of Directors and, as accrued, on any Liquidation (as defined in Section A.4(b) hereof) or Event of Sale (as defined in Section A.4(h) hereof), or upon any Redemption Date (as defined in Section A.5(c) hereof). Dividends hereunder shall be payable in shares of Common Stock (calculated based upon the then effective Series B Conversion Price), as accrued, upon the conversion of the Series B Stock into Common Stock. Whenever any dividend may be declared or paid on any shares of Series B Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series B Stock then outstanding, so that all outstanding shares of Series B Stock will participate equally with each other and ratably per share (calculated as provided in Section A.3(d) hereof). Whenever any dividend, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series B Stock then outstanding so that all outstanding shares of Series B Stock will participate in such dividend ratably with such shares of Common Stock (calculated as provided in Section A.3(d) hereof); or (ii) any shares of Series A Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same or equivalent rate upon each share of the Series B Stock then outstanding so that all outstanding shares of Series B Stock will participate in such dividend ratably with such shares of Series A Stock (based on the number of shares of Common Stock into which each share of Series B Stock and each share of Series A Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of Series A Stock as compared with the Series B Stock then outstanding).

(c) Series A Stock. Following payment in full of required dividends to the holders of Series C Stock and Series B Stock in accordance with Sections A.3(a) and (b) above, the holders of shares of the Series A Stock shall be entitled to receive, when, if and as declared by the Board of Directors, dividends on any shares of Series A Stock, out of funds legally available for that purpose, at a rate to be determined by the Board of Directors if and when they may so declare any dividend on the Series A Stock.

(d) In connection with any dividend declared or paid hereunder, each share of Existing Preferred Stock shall be deemed to be that number of shares (including fractional shares) of Common Stock into which it is then convertible, rounded up to the nearest one-tenth of a share. No fractional shares of capital stock shall be issued as a dividend hereunder. The Corporation shall pay a cash adjustment for any such fractional interest in an amount equal to the fair market value thereof on the last Business Day (as defined in Section A.8 hereof) immediately preceding the date for payment of dividends as determined by the Board of Directors in good faith.

4. Liquidation Rights.

(a) With respect to rights on Liquidation (as defined in Section A.4(b) hereof): (i) the shares of Series C Stock shall rank equally with each other and senior and prior to the shares of Series B Stock, Series A Stock and the Common Stock and to all other classes or series of stock issued by the Corporation, except as otherwise approved by the affirmative vote or consent of the Existing Senior Majority; (ii) the shares of Series B Stock shall rank equally with each other and senior and prior to the shares of Series A Stock and the shares of Common Stock and to all other junior classes or series of stock issued by the Corporation, and junior to the Series C Stock; and (iii) the Series A Stock shall rank senior and prior to the Corporation' s Common Stock and to all other junior classes or series of stock issued by the Corporation, and junior to the Existing Senior Preferred Stock.

(b) In the event of any liquidation, dissolution or winding-up of the affairs of the Corporation (collectively, a "Liquidation"): (i) the holders of shares of Series C Stock then outstanding (the "Series C Stockholders") shall be entitled to receive out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the holders of Series B Stock then outstanding (the "Series B Stockholders"), the holders of Series A Stock then outstanding

(the "Series A Stockholders," and collectively with the Series C Stockholders and the Series B Stockholders, the "Existing Preferred Stockholders"), or the holders of Common Stock or any other class or series of stock ranking on Liquidation junior to such Series C Stock, an amount per share equal to the Series C Original Purchase Price (as defined in Section A.8 hereof), plus an amount equal to any declared or accrued but unpaid dividends thereon, calculated pursuant to Section A.3(a) hereof; (ii) after the distribution to the Series C Stockholders of the full amount to which they are entitled to receive pursuant to this Section A.4(b), the Series B Stockholders shall be entitled to receive out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the Series A Stockholders or the holders of Common Stock or any other class or series of stock ranking on Liquidation junior to such Series B Stock, an amount per share equal to the Series B Original Purchase Price (as defined in Section A.8 hereof), plus an amount equal to any declared or accrued but unpaid dividends thereon, calculated pursuant to Section A.3(b) hereof; and (iii) after the distribution to the Series B Stockholders of the full amount to which they are entitled to receive pursuant to this Section A.4(b), the Series A Stockholders shall be entitled to receive out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the holders of Common Stock or any other class or series of stock ranking on Liquidation junior to such Series A Stock, an amount per share equal to the Series A Original Purchase Price (as defined in Section A.8 hereof), plus an amount equal to any declared but unpaid dividends thereon, calculated pursuant to Section A.3(c) hereof. Notwithstanding the foregoing or anything else expressed or implied herein, the transactions contemplated by that certain Agreement and Plan of Merger dated as of April 25, 2011 by and among the Corporation, MPM Acquisition Corp. and RHI Merger Corp. (the "Merger Agreement") shall not be a "Liquidation" for purposes of this Certificate.

(c) If, upon any Liquidation the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series C Stockholders the full amount to which each of

them shall be entitled pursuant to Section A.4(b) above, then the Series C Stockholders shall share ratably in any distribution of assets according to the respective amounts which would be payable to them in respect of the shares of Series C Stock held upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(d) If, upon any Liquidation the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series B Stockholders the full amount to which each of them shall be entitled pursuant to Section A.4(b) above, then after payment to the Series C Stockholders of the full amount to which such stockholders are entitled pursuant to Section A.4(b) above, the Series B Stockholders shall share ratably in any remaining distribution of assets according to the respective amounts which would be payable to them in respect of the shares of Series B Stock held upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(e) If, upon any Liquidation the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series A Stockholders the full amount to which each of them shall be entitled pursuant to Section A.4(b) above, then after payment to the Series C Stockholders and Series B Stockholders of the full amount to which such stockholders are entitled pursuant to Section A.4(b) above, the Series A Stockholders shall share ratably in any remaining distribution of assets according to the respective amounts which would be payable to them in respect of the shares of Series A Stock held upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(f) In the event of any Liquidation, after payment shall have been made to the Existing Preferred Stockholders of the full amount to which they shall be entitled pursuant to Section A.4(b), the holders of each other class or series of capital stock (other than Common Stock) ranking on Liquidation junior to such Series C Stock, Series B Stock and Series A Stock (in descending order of seniority), but senior to the Common Stock, as a class, shall be entitled to receive an amount equal (and in like kind) to the aggregate preferential amount fixed for each such junior class or series of capital stock. If, upon any Liquidation prior to the Initial Closing of the Qualified Financing, after payment shall have been made to the Existing Preferred Stockholders of the full amount to which they shall be entitled pursuant to Section A.4(b), the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay a class or series of capital stock (other than the Common Stock) junior to the Series C Stock, Series B Stock and Series A Stock the full amount to which they shall be entitled pursuant to the preceding sentence, the holders of such other class or series of capital stock shall share ratably, based upon the number

of then outstanding shares of such other class or series of capital stock, in any remaining distribution of assets according to the respective preferential amounts fixed for such junior class or series of capital stock or which would be payable to them in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(g) In the event of any Liquidation prior, after payments shall have been made first to the Existing Preferred Stockholders and then to the holders of each junior class or series of capital stock (other than Common Stock) which is junior to the Series C Stock, Series B Stock and the Series A Stock but senior to the Common Stock, of the full amount to which they each shall be entitled as aforesaid, the holders of Common Stock, as a class, shall be entitled to share ratably with the Series C Stockholders and Series B Stockholders (calculated with respect to such Series C Stock and Series B Stock as provided in the last sentence in this Section A.4(g)) in all remaining assets of the Corporation legally available for distribution to its stockholders. For purposes of calculating the amount of any payment to be paid upon any such Liquidation pursuant to the participation feature described in this Section A.4(g), each share of such Existing Senior Preferred Stock shall be deemed to be that number of shares (including fractional shares and any shares attributable to the payment of accrued and unpaid

dividends upon conversion of such Preferred Stock pursuant to Section A.7(b)) of Common Stock into which it is then convertible, rounded to the nearest one-tenth of a share.

(h) (i) In the event of and simultaneously with the closing of an Event of Sale (as hereinafter defined), the Corporation shall, unless waived by the Existing Senior Majority or otherwise prevented by law, redeem all of the shares of Series C Stock, Series B Stock and Series A Stock then outstanding for a cash amount per share determined as set forth below in this Section A.4(h) hereof (the "Special Liquidation Price," said redemption being referred to herein as a "Special Liquidation"). In the event the Event of Sale involves consideration that does not consist of cash, then the Special Liquidation Price may be paid with such consideration having a value equal to the Special Liquidation Price. To the extent there is any cash consideration in connection with an Event of Sale, at the option of the holders of a majority of the Series C Stock, the cash consideration will first (i) be applied to satisfy the Special Liquidation Price payable to the Series C Stockholders (in relative proportion to the full liquidation preference the Series C Stockholders would have received had there been sufficient cash consideration to have paid their liquidation preference in full); then (ii) be applied to satisfy the Special Liquidation Price payable to the holders of Series B Stock (in relative proportion to the full liquidation preference the Series B Stockholders would have received had there been sufficient cash consideration to have paid their liquidation preference in full), prior to the payment thereof to any other stockholders of the Corporation; and (iii) then be applied to satisfy the Special Liquidation Price payable to the holders of Series A Stock (in relative proportion to the full liquidation preference the Series A Stockholders would have received had there been sufficient cash consideration to have paid their liquidation preference in full), prior to the payment thereof to any other stockholders of the Corporation. For all purposes of this Section A.4(h), the Special Liquidation Price shall be equal to that amount per share which would be received by each Existing Preferred Stockholder if, in connection with an Event of Sale, all the consideration paid in exchange for the assets or the shares of capital stock (as the case may be) of the Corporation were actually paid to and received by the Corporation and the Corporation were immediately thereafter liquidated and its assets distributed pursuant to Sections A.4(a) through (h) hereof. To the extent that one or more redemptions (as described in Section A.5 hereof) and/or Special Liquidations are occurring concurrently, the Special Liquidation under this Section A.4(h) shall be deemed to occur first. The date upon which the Special Liquidation shall occur is sometimes referred to herein as the "Special Liquidation Date".

(ii) In the absence of an applicable waiver pursuant to Section A.4(h)(i) above, at any time on or after the Special Liquidation Date, an Exisiting Preferred Stockholder shall be entitled to receive the Special Liquidation Price for each such share of Series C Stock, Series B Stock or Series A Stock owned by such holder. Subject to the provisions of Section A.4(h)(iii) hereof, payment of the Special Liquidation Price will be made to each such holder upon actual delivery to the Corporation or its transfer agent of the certificate of such holder representing such shares of Series A Stock, Series B Stock or Series C Stock, as the case may be, or an affidavit of loss as to the same.

(iii) If on the Special Liquidation Date less than all the shares of either Series C Stock, Series B Stock or Series A Stock then outstanding may be legally redeemed by the Corporation, the Special Liquidation shall be made first as to the Series C

Stock pro rata with respect to such Series C Stock based upon the number of outstanding shares of Series C Stock then owned by each such holder thereof until such holders are satisfied in full, then to the holders of the Series B Stock pro rata with respect to such Series B Stock based upon the number of outstanding shares of Series B Stock then owned by each holder thereof, and then to the holders of the Series A Stock pro rata with respect to such Series A Stock based upon the number of outstanding shares of Series A Stock then owned by each holder thereof.

(iv) On and after any Special Liquidation Date, all rights in respect of the shares of Existing Preferred Stock to be redeemed shall cease and terminate except the right to receive the applicable Special Liquidation Price as provided herein, and such shares of Existing Preferred Stock shall

no longer be deemed to be outstanding, whether or not the certificates representing such shares of Existing Preferred Stock have been received by the Corporation; provided, however, that, if the Corporation defaults in the payment of the Special Liquidation Price with respect to any Existing Preferred Stock, the rights of the holder(s) thereof with respect to such shares of Existing Preferred Stock shall continue until the Corporation cures such default.

(v) Anything contained herein to the contrary notwithstanding, all or any of the provisions of this Section A.4(h) may be waived by the Existing Senior Majority, by delivery of written notice of waiver to the Corporation prior to the closing of any Event of Sale.

(vi) Any notice required to be given to the holders of shares of Preferred Stock pursuant to Section A.7(g) hereof in connection with an Event of Sale shall include a statement by the Corporation of (A) the Special Liquidation Price which each Preferred Stockholder shall be entitled to receive upon the occurrence of a Special Liquidation under this Section A.4(h) and (B) the extent to which the Corporation will, if at all, be legally prohibited from paying each holder of Preferred Stock the Special Liquidation Price.

(vii) For purposes of this Section A.4(h), an "Event of Sale" shall mean: (A) the sale by the stockholders of voting control of the Corporation, (B) the merger, consolidation or reorganization with or into any other corporation, entity or person or any other corporate reorganization, in which (I) the capital stock of the Corporation immediately prior to such merger, consolidation or reorganization represents less than 50% of the voting power of the surviving entity (or, if the surviving entity is a wholly owned subsidiary, its parent) immediately after such merger, consolidation or reorganization or (II) the surviving entity (or, if the surviving entity is a wholly owned subsidiary, its parent) has a class of securities that is (or has been within 90 days prior to such transaction) tradeable on any public market or exchange or (C) the sale, exclusive license or other disposition of all or substantially all of the assets or intellectual property of the Corporation in a single transaction or series of related transactions. Notwithstanding the foregoing or anything else expressed or implied herein, the transactions contemplated by the Merger Agreement shall not be an "Event of Sale" for purposes of this Certificate.

5. Redemption.

(a) At the request of the Existing Senior Majority (the "Requesting Holders") made at any time on or after December 15, 2011, the Corporation shall redeem on the Redemption Date, unless otherwise prevented by law, at a redemption price per share equal to the Series C Original Purchase Price for each share of Series C Stock and Series B Original Purchase Price for each share of Series B Stock, plus in each case an amount equal to any declared or accrued but unpaid dividends thereon, all of the Existing Senior Preferred Stock outstanding at the time that such request is made. The total sum payable per share of Existing Senior Preferred Stock on the Redemption Date is hereinafter referred to as the "Redemption Price," and the payment to be made on the Redemption Date is hereinafter referred to as the "Redemption Payment." Notwithstanding any limitations specified in this Section A.5, in the event that the Corporation at any time breaches any of the provisions in the this Certificate or any of its representations, warranties, covenants and/or agreements set forth in (i) that certain Stockholders' Agreement among the Corporation and the parties set forth therein (as amended, the "Stockholders' Agreement") or that certain Series C Convertible Redeemable Preferred Stock Purchase Agreement among the Corporation and the signatories thereto (the "Stock Purchase Agreement"), each as entered into contemporaneously with the filing of the Prior Certificate, or (ii) that certain Series B Convertible

Redeemable Preferred Stock Purchase Agreement dated as of November 14, 2003 among the Corporation and the signatories thereto (as amended, the "Series B Stock Purchase Agreement"), then upon any such breach the Senior Majority may elect, at their sole discretion, if any such breach is not cured by the 60th day after receipt by the Corporation of notice of such breach from a holder, to accelerate the maturity of

the rights of all of the holders under this Section A.5(a) and cause the immediate redemption of all of the shares of Existing Senior Preferred Stock held by them (less any shares that the Corporation is prevented by law from redeeming, which shall be redeemed by the Corporation as soon as permitted under law). With respect to a breach of which the Corporation is aware or reasonably should be aware, such 60 day period within which the Corporation shall have the right to cure such breach shall be deemed to have commenced on the tenth day after the occurrence of such breach, irrespective of notice of such breach from any holder, if the Corporation shall not have notified the holders of such breach by such date.

(b) On and after the Redemption Date, all rights of any Requesting Holder with respect to those shares of Existing Senior Preferred Stock being redeemed by the Corporation pursuant to Section A.5(a), except the right to receive the applicable Redemption Price per share, shall cease and terminate, and such shares of Existing Senior Preferred Stock shall no longer be deemed to be outstanding, whether or not the certificates representing such shares have been received by the Corporation; provided, however, that, notwithstanding anything to the contrary set forth herein, (A) if the Corporation defaults in the payment of the Redemption Payment, the rights of the Requesting Holder with respect to its shares of Existing Senior Preferred Stock shall continue until the Corporation cures such default, and (B) without limiting any other rights of a Requesting Holder, upon the occurrence of a subsequent Liquidation, with respect to the shares of Existing Senior Preferred Stock in respect of which no Redemption Payment has been received by a Requesting Holder, such Requesting Holder shall be accorded the rights and benefits set forth in Section A.4 hereof in respect of such remaining shares, as if no prior redemption request had been made.

(c) If the Requesting Holders elect to exercise redemption rights hereunder, such Requesting Holders shall send notice of such election (the "Redemption Notice") by first-class, certified mail, return receipt requested, postage prepaid, to the Corporation at its principal place of business or to any transfer agent of the Corporation. Within five (5) Business Days after receipt of the Redemption Notice, the Corporation shall notify in writing all other Existing Senior Preferred Stockholders of the request by a Requesting Holder for the redemption of Existing Senior Preferred Stock (the "Corporation Notice"). On the twentieth (20th) Business Day following the date upon which the Corporation received the Redemption Notice, the Corporation shall pay each holder of Existing Senior Preferred Stock the applicable Redemption Price pursuant to the terms of Section A.5(a), provided that the Corporation or its transfer agent has received the certificate(s) representing the shares of Existing Senior Preferred Stock to be redeemed. Such payment date shall be referred to herein as the "Redemption Date." If, on the Redemption Date, less than all the shares of Existing Senior Preferred Stock may be legally redeemed by the Corporation, the redemption of Existing Senior Preferred Stock shall be pro rata according to the respective amounts which would be payable to the Existing Senior Preferred Stockholders in respect of their shares of Existing Senior Preferred Stock if the Redemption Price were paid in full for all such shares, and any shares of Existing Senior Preferred Stock not redeemed shall be redeemed on the first date following such Redemption Date on which the Corporation may lawfully redeem such shares (pro rata according to the respective amounts which would be payable to the Existing Senior Preferred Stockholders in respect of the remaining shares of Existing Senior Preferred Stock if the Redemption Price were paid in full for all such shares). The Corporation shall redeem (to the extent permitted by law) the shares of Existing Senior Preferred Stock on the Redemption Date and the Corporation shall promptly advise each holder of Existing Senior Preferred Stock of the Redemption Date or of the relevant facts applicable thereto preventing such redemption. Upon redemption of only a portion of the number of shares covered by a Existing Senior Preferred Stock certificate, the Corporation shall issue and deliver to or upon the written order of the holder of such Existing Senior Preferred Stock certificate, at the expense of the Corporation, a new certificate covering the number of shares of the Existing Senior Preferred Stock representing the unredeemed portion of the Existing Senior Preferred Stock certificate, which new certificate shall entitle the holder thereof to all the rights, powers and privileges of a holder of such shares.

(d) Shares of the Existing Senior Preferred Stock are not subject to or entitled to the benefit of any sinking fund.

6. Voting.

(a) Subject to any separate voting rights provided for herein or otherwise required by law, for so long as Existing Senior Preferred Stock remains outstanding, the holders of Existing Preferred Stock shall be entitled to vote, together with the holders of Common Stock as one class, on all matters as to which holders of Common Stock shall be entitled to vote, in the same manner and with the same effect as such holders of Common Stock. In any such vote, each share of Existing Preferred Stock shall entitle the holder thereof to the number of votes per share that equals the number of shares of Common Stock (including fractional shares) into which each such share of Preferred Stock is then convertible, rounded up to the nearest one-tenth of a share, but not including any shares of Common Stock issuable upon conversion of any dividends accrued on such Existing Preferred Stock.

(b) In addition to the rights specified in Section A.6(a), for so long as any shares of Existing Senior Preferred Stock are outstanding, the holders of the Existing Senior Preferred Stock, voting as a separate class, shall have the right to elect six (6) members of the Board of Directors of the Corporation (such directors, the "Existing Preferred Directors"). In any election of Existing Preferred Directors pursuant to this Section A.6(b), each holder of Existing Senior Preferred Stock shall be entitled to one vote for each share of Common Stock (including fractional shares) into which each such share of Existing Senior Preferred Stock is then convertible, rounded up to the nearest one-tenth of a share (determined as set forth in the second sentence of Section A.6(a) hereof), and no holder of Existing Senior Preferred Stock shall be entitled to cumulate its votes by giving one candidate more than one vote per share. The voting right of the holders of Existing Senior Preferred Stock, contained in this Section A.6(b), may be exercised at a special meeting of the holders of Existing Senior Preferred Stock called as provided in accordance with the by-laws of the Corporation, at any annual or special meeting of the stockholders of the Corporation, or by written consent of such holders of Existing Senior Preferred Stock in lieu of a meeting. The Existing Preferred Directors elected pursuant to this Section A.6(b) shall serve from the date of their election and qualification until their successors have been duly elected and qualified.

(c) A vacancy in the directorships elected by the holders of Existing Senior Preferred Stock pursuant to Section A.6(b), may be filled by a vote at a meeting called in accordance with the by-laws of the Corporation or written consent in lieu of such meeting of the holders of such Existing Senior Preferred Stock.

(d) For so long as Existing Preferred Stock remains outstanding, the holders of capital stock of the Corporation, voting as a single class, shall elect the remaining member or members of the Board of Directors of the Corporation. In any election of directors pursuant to this Section A.6(d), each stockholder shall be entitled to one vote for each share of Common Stock held or, if Existing Preferred Stock, into which each such share of Existing Preferred Stock is then convertible (determined in accordance with Section A.6(a) hereof), and no stockholder shall be entitled to cumulate its votes by giving one candidate more than one vote per share. The voting right of the stockholders contained in this Section A.6(d) apply only so long as shares of Existing Preferred Stock remains and outstanding and may be exercised at a special meeting of the stockholders called as provided in accordance with the by-laws of the Corporation, at any annual or special meeting of the stockholders of the Corporation, or by written consent of the stockholder in lieu of a meeting. The director or directors elected pursuant to this Section A.6(d) shall serve from the date of their election and qualification until their successors have been duly elected and qualified.

(e) A vacancy in the directorship or directorships elected by the stockholders pursuant to Section A.6(d), may be filled by a vote at a meeting called in accordance with the by-laws of the Corporation or written consent in lieu of such meeting of the stockholders of the Corporation.

(f) For so long as shares of Existing Preferred Stock are outstanding, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of the Existing Senior Majority, acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation ("Notice") shall have been given to each holder of such Existing Senior Preferred Stock, do the following:

(i) sell, abandon, transfer, lease or otherwise dispose of all or substantially all of its or any subsidiary' s properties or assets;

(ii) sell, abandon, transfer, exclusively license or otherwise dispose of or encumber any of its material intellectual property;

(iii) purchase, lease or otherwise acquire all or substantially all of the assets of another entity or acquire the securities of any other entity;

(iv) except as otherwise required by this Certificate or as contemplated in the Series A-1 Purchase Agreement, alter the rights, preferences or privileges of or reclassify any of its or its subsidiaries' securities or declare or pay any dividend or make any distribution with respect to shares of its capital stock (whether in cash, shares of capital stock or other securities or property);

(v) except as otherwise required by this Certificate or as contemplated in the Series A-1 Purchase Agreement, make any payment on account of the purchase, redemption, or other retirement of any share of capital stock of the Corporation or any subsidiary, or distribute to holders of Series B Stock, Series A Stock or Common Stock shares of the Corporation' s capital stock (other than Common Stock in connection with a stock split by way of stock dividend) or other securities of other entities, evidences of indebtedness issued by the Corporation or other entities, or other assets or options or rights other than the repurchase of shares of Common Stock issued pursuant to the Corporation' s 2003 Long-Term Incentive Plan, as amended, for employees or consultants;

(vi) except as contemplated by the Merger Agreement (as defined herein) merge, consolidate or reorganize with or into, or permit any subsidiary to merge, consolidate or reorganize with or into, any other corporation or corporations or other entity or entities;

(vii) voluntarily dissolve, liquidate or wind-up or carry out any partial liquidation or distribution or transaction in the nature of a partial liquidation or distribution;

(viii) except as otherwise required by this Certificate or as contemplated in the Series A-1 Purchase Agreement, in any manner alter or change the designations, powers, preferences, rights, qualifications, limitations or restrictions of the Series C Stock or Series B Stock;

(ix) take any action to cause any amendment, alteration or repeal of any of the provisions of this Certificate or the by-laws of the Corporation or the organizational documents of the Corporation' s subsidiaries if any;

(x) except as otherwise required by this Certificate or as contemplated in the Series A-1 Purchase Agreement and except for the issuance of capital stock or other securities constituting shares of Excluded Stock (as defined in Section A.7(e)(ii) below), authorize, designate, create, increase or decrease the authorized number of, reclassify, or issue or agree to issue any equity or debt security of the Corporation or any subsidiary or any security, right, option or warrant convertible into, or exercisable or exchangeable for, shares of the capital stock of the Corporation or any capitalized lease with an equity feature with respect to the capital stock of the Corporation;

(xi) adopt, approve, amend or modify any stock option plan of the Corporation or adopt, approve amend or modify the form of any stock option agreement or restricted stock purchase agreement, or amend or modify any stock option agreement or restricted stock purchase agreement entered into between the Corporation and its employees, directors or consultants except for immaterial changes made thereto from time to time by officers of the Corporation;

(xii) accelerate the vesting schedule or exercise date or dates of any such options or in any stock option agreement or restricted stock purchase agreement entered into between the Corporation and its directors, officers, employees, consultants or independent contractors, or waive or modify the Corporation' s repurchase rights with respect to any shares of the Corporation' s stock issuable pursuant to

any restricted stock purchase agreement entered into between the Corporation and its directors, officers, employees, consultants or independent contractors;

(xiii) grant any stock options with an exercise price per share that is less than the fair market value of such share on the date of such grant (as determined by the Board of Directors of the Corporation) or issue or sell capital stock of the Corporation pursuant to restricted stock awards or restricted stock purchase agreements at a price per share less than the fair market value of such share on the date of such issuance or sale (as determined by the Board of Directors of the Corporation);

(xiv) increase the number of shares of Common Stock authorized for issuance under the Corporation' s 2003 Long-Term Incentive Plan, as amended;

(xv) except as otherwise required by this Certificate or as contemplated in the Series A-1 Purchase Agreement, increase or decrease the authorized number of the members of the Board of Directors;

(xvi) participate or allow any subsidiary to participate in any business other than which it is engaged as of the date of this Certificate or subsequent to the date of this Certificate as approved by the Board of Directors; or

(xvii) incur any indebtedness by the Corporation or any subsidiary above and beyond the amounts set forth herein, in the Series A-1 Purchaser Agreement or in the Stockholders' Agreement.

The foregoing approval shall be obtained in addition to any approval required by law.

(g) The Corporation shall obtain the consent of the Board of Directors before it may authorize or issue any additional shares of capital stock of the Corporation, other than the issuance of any shares of New Preferred Stock as contemplated by this Certificate or the Series A-1 Purchase Agreement, or any of its subsidiaries.

7. Conversion.

(a) Any Existing Preferred Stockholder shall have the right, at any time or from time to time, to convert any or all of its shares of Existing Preferred Stock into that number of fully paid and nonassessable shares of Common Stock for each share of Existing Preferred Stock so converted equal to the quotient of the Series A Original Purchase Price, Series B Original Purchase Price or Series C Original Purchase Price, as applicable, for such share divided by the Series A Conversion Price, the Series B Conversion Price or the Series C Conversion Price (each as defined in Section A.7(e) hereof), as applicable, for such share of Existing Preferred Stock, as last adjusted and then in effect, rounded up to the nearest one-tenth of a share; provided, however, that cash shall be paid in lieu of the issuance of fractional shares of Common Stock, as provided in Section A.7(d) hereof.

(b) (i) Any Existing Preferred Stockholder who exercises the right to convert shares of Existing Preferred Stock into shares of Common Stock, pursuant to this Section A.7 shall be entitled to payment of all accrued dividends, whether or not declared and all declared but unpaid dividends payable with respect to such Existing Preferred Stock pursuant to Section A.3 herein, up to and including the Conversion Date (as defined in Section A.7(b)(iii) hereof).

(ii) Any Existing Preferred Stockholder may exercise the right to convert such shares into Common Stock pursuant to this Section A.7 by delivering to the Corporation during regular business hours, at the office of the Corporation or any transfer agent of the Corporation or at such other place as may be designated by the Corporation, the certificate or certificates for the shares to be converted (the "Existing Preferred Certificate"), duly endorsed or assigned in blank to the Corporation (if required by it) or an affidavit of loss as to the same.

(iii) Each Existing Preferred Certificate shall be accompanied by written notice stating that such holder elects to convert such shares and stating the name or names (with address) in which the certificate or certificates for the shares of Common Stock (the "Common Certificate") are to be issued. Such conversion shall be deemed to have been effected on the date when such delivery is made, and such date is referred to herein as the "Conversion Date."

(iv) As promptly as practicable thereafter, the Corporation shall issue and deliver to or upon the written order of such holder, at the place designated by such holder, (A) a Common Certificate for the number of full shares of Common Stock to which such holder is entitled and (B) a check or cash in respect of any fractional interest in shares of Common Stock to which such holder is entitled, as provided in Section A.7(d) hereof, payable with respect to the shares so converted up to and including the Conversion Date.

(v) The person in whose name the Common Certificate or Certificates are to be issued shall be deemed to have become a holder of record of Common Stock on the applicable Conversion Date, unless the transfer books of the Corporation are closed on such Conversion Date, in which event the holder shall be deemed to have become the stockholder of record on the next succeeding date on which the transfer books are open, provided that the Series A Conversion Price, Series B Conversion Price or Series C Conversion Price, as applicable, upon which the conversion shall be executed shall be that in effect on the Conversion Date.

(vi) Upon conversion of only a portion of the number of shares covered by an Existing Preferred Certificate, the Corporation shall issue and deliver to or upon the written order of the holder of such Existing Preferred Certificate, at the expense of the Corporation, a new certificate covering the number of shares of Existing Preferred Stock representing the unconverted portion of the Existing Preferred Certificate, which new certificate shall entitle the holder thereof to all the rights, powers and privileges of a holder of such Existing Preferred Stock.

(c) If an Existing Preferred Stockholder shall surrender more than one share of the same class of Existing Preferred Stock for conversion at any one time, then the number of full shares of Common Stock issuable upon conversion thereof shall be computed on the basis of the aggregate number of shares of Existing Preferred Stock so surrendered.

(d) No fractional shares of Common Stock shall be issued upon conversion of Existing Preferred Stock. The Corporation shall instead pay a cash adjustment for any such fractional interest in an amount equal to the Current Market Price thereof on the Conversion Date, as determined in accordance with Section A.7(e)(vii) hereof.

(e) For all purposes of this Article III, Part A, the initial conversion price of the Series A Stock shall be the Series A Original Purchase Price, the initial conversion price of the Series B Stock shall be the Series B Original Purchase Price and the initial conversion price of the Series C Stock shall be the Series C Original Purchase Price, in each case subject to adjustment from time to time as follows (the conversion price of any or each of the Series A Stock, Series B Stock and the Series C Stock, as adjusted from time to time, is sometimes referred to generically in this Section A.7 as the "Conversion Price"):

(i) Subject to Section A.7(e)(ii) and A.7(e)(x) below, if the Corporation shall, at any time or from time to time after the Effective Time, issue or sell any shares of Common Stock (which term, for purposes of this Section A.7(e)(i), including all subsections thereof, shall be deemed to include all other securities convertible into, or exchangeable or exercisable for, shares of Common Stock (including, but not limited to, Existing Preferred Stock) or options to purchase or other rights to subscribe for such convertible or exchangeable securities, in each case other than Excluded Stock (as defined in Section A.7(e)(ii) below), for a consideration per share less than the Series C Conversion Price in effect immediately prior to the issuance of such Common Stock or other securities (a "Dilutive Issuance"), then (X) the Conversion Price for the Series A Stock (the "Series A Conversion Price") in effect immediately prior to each such Dilutive Issuance shall automatically be reduced to a price equal to the product obtained by multiplying such Series A Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Existing Preferred Stock, upon exercise of outstanding stock options and warrants or otherwise under Section A.7(e)(i)(d)) plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for the additional stock so issued would purchase at such Series C Conversion Price as in

effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Existing Preferred Stock, upon exercise of outstanding stock options or otherwise under Section A.7(e)(i)(d)) plus the number of shares of additional stock so issued, (Y) the Conversion Price for the Series B Stock (the "Series B Conversion Price") in effect immediately prior to each such Dilutive Issuance shall automatically be reduced to a price equal to the product obtained by multiplying such Series B Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Existing Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Existing Preferred Stock) plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for the additional stock so issued would purchase at such Series C Conversion Price as in effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Existing Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of

additional stock so issued, and (Z) the Conversion Price for the Series C Stock (the "Series C Conversion Price") in effect immediately prior to each such Dilutive Issuance shall automatically be reduced to a price equal to the product obtained by multiplying such Series C Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Existing Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Existing Preferred Stock) plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for the additional stock so issued would purchase at such Series C Conversion Price as in effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Existing Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Existing Preferred Stock) plus the number of shares of additional stock so issued. For purposes of this Section A.7(e)(i), the number of shares of Common Stock deemed issuable upon conversion of such outstanding shares of Existing Preferred Stock shall be determined without giving effect to any adjustments to the applicable Conversion Price resulting from the Dilutive Issuance that is the subject of this calculation. For the purposes of any adjustment of the Conversion Price pursuant to this Section A.7(e)(i), the following provisions shall be applicable.

a. In the case of the issuance of Common Stock in whole or in part for cash, the consideration shall be deemed to be the amount of cash paid therefor after deducting therefrom any discounts, commissions or other expenses allowed, paid or incurred by the Corporation for any underwriting or otherwise in connection with the issuance and sale thereof, plus the value of any property other than cash received by the Corporation, determined as provided in Section A.7(e)(i)(b) hereof, plus the value of any other consideration received by the Corporation determined as set forth in Section A.7(e)(i)(c) hereof.

b. In the case of the issuance of Common Stock for a consideration in whole or in part in property other than cash, the value of such property other than cash shall be deemed to be the fair market value of such property as determined in good faith by the Board of Directors, irrespective of any accounting treatment; provided, however, that such fair market value of such property as determined by the Board of Directors shall not exceed the aggregate Current Market Price (as defined in Section A.7(e)(viii) hereof) of the shares of Common Stock or such other securities being issued, less any cash consideration paid for such shares, determined as provided in Section A.7(e)(i)(a) hereof and less any other consideration received by the Corporation for such shares, determined as set forth in Section A.7(e)(i)(c) hereof.

c. In the case of the issuance of Common Stock for consideration in whole or in part other than cash or property, the value of such other consideration shall be deemed to be the aggregate par value of such Common Stock (or the aggregate stated value if such Common Stock has no par value).

d. In the case of the issuance of options or other rights to purchase or subscribe for Common Stock or the issuance of securities by their terms convertible into or exchangeable or exercisable for Common Stock or options to purchase or other rights to subscribe for such convertible or exchangeable or exercisable securities:

i. the aggregate maximum number of shares of Common Stock deliverable upon exercise of such options to purchase or rights to subscribe for Common Stock shall be deemed to have been issued at the time such options or rights were issued and for a consideration equal to the consideration (determined in the manner provided in Sections A.7(e)(i)(a), (b)

and (c) hereof), if any, received by the Corporation upon the issuance of such options or rights plus the minimum purchase price provided in such options or rights for the Common Stock covered thereby (the consideration in each case to be determined in the manner provided in Sections A.7(e)(i)(a), (b) and (c) hereof);

ii. the aggregate maximum number of shares of Common Stock deliverable upon conversion of, or in exchange for, any such convertible or exchangeable securities or upon the exercise of options to purchase or rights to subscribe for such convertible or exchangeable securities and subsequent conversion or exchange thereof shall be deemed to have been issued at the time such securities were issued or such options or rights were issued and for a consideration equal to the consideration received by the Corporation for any such securities and related options or rights (excluding any cash received on account of accrued interest or accrued dividends), plus the minimum additional consideration, if any, to be received by the Corporation upon the conversion or exchange of such securities or the exercise of any related options or rights (the consideration in each case to be determined in the manner provided in Sections A.7(e)(i)(a), (b) and (c) hereof);

iii. if there is any change (whether automatic pursuant to the terms contained therein or as a result of the amendment of such terms) in the exercise price of, or number of shares deliverable upon exercise of, any such options or rights or upon the conversion or exchange of any such convertible or exchangeable securities (other than a change resulting from the original antidilution provisions thereof in place at the time of issuance of such security), then the applicable Conversion Price shall automatically be readjusted in proportion to such change (notwithstanding the foregoing, no adjustment pursuant to this clause shall have the effect of increasing the applicable Conversion Price to an amount which exceeds the lower of (i) the applicable Conversion Price on the original adjustment date, or (ii) the applicable Conversion Price that would have resulted from any Dilutive Issuances between the original adjustment date and such readjustment date);

iv. upon the expiration of any such options or rights or the termination of any such rights to convert or exchange such convertible or exchangeable securities (or in the event that the change that precipitated an adjustment pursuant to Section A.7(e)(i)(d)(iii) hereof is reversed or terminated, or expires), then the applicable Conversion Price shall be automatically readjusted to the applicable Conversion Price that would have been obtained had such options, rights or convertible or exchangeable securities not been issued; and

v. if the terms of any option or convertible security (excluding options or convertible securities which, upon exercise, conversion or exchange thereof, would entitle the holder thereof to receive shares of Common Stock which are Excluded Stock), the issuance of which was not a Dilutive Issuance, are revised after the Original Issuance Date (either automatically pursuant the provisions contained therein or as a result of an amendment to such terms) to provide for either (1) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such option or convertible security or (2) any decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such option or convertible security, as so amended, and the shares of Common Stock subject thereto shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(ii) "Excluded Stock" shall mean:

a. Common Stock issued upon conversion of any shares of Existing Preferred Stock, including any shares of Common Stock issuable upon conversion of any dividends accrued on such Existing Preferred Stock;

b. Common Stock issued or issuable to officers, directors or employees of or consultants or independent contractors to the Corporation, pursuant to any written agreement, plan or arrangement to purchase, or rights to subscribe for, such Common Stock, including Common Stock issued under the Corporation' s 2003 Long-Term Incentive Plan, as amended, or other equity incentive plan or other agreements that have been approved in form and in substance by the Existing Senior Majority, calculated in accordance with Section A.6(a) of Article III herein (including, in such calculation, any outstanding restricted stock awards held by such holders), and which, as a condition precedent to the issuance of such shares, provide for the vesting of such shares and subject such shares to restrictions on transfer and rights of first offer in favor of the Corporation, and restricted stock grants to directors, employees or consultants as approved by the Board of Directors of the Corporation; provided, however, that the maximum number of shares of Common Stock heretofore or hereafter issuable pursuant to the Corporation' s 2003 Long-Term Incentive Plan, as amended, and all such agreements, plans and arrangements shall not exceed 2,015,666 shares of Common Stock;

c. Common Stock issued as a stock dividend or distribution on the Existing Preferred Stock payable in shares of Common Stock, or capital stock of any other class issuable upon any subdivision, recombination, split-up or reverse stock split of all the outstanding shares of such class of capital stock;

d. Common Stock or other securities issued or issuable to banks, lenders or landlords, provided that each such issuance is approved by the Board of Directors, including, but not limited to, warrants to acquire Common Stock held by Silicon Valley Bank (or its affiliates, successors and assignees), warrants to purchase Preferred Stock issued or to be issued to GE Healthcare Financial Services, Inc. ("GEHFS") and Oxford Finance Corporation ("OFC") pursuant to a proposed debt financing approved by the Board of Directors (the "GE Financing"), shares of Preferred Stock issued or issuable to GE in connection with the GE Financing or upon exercise by GEHFS or OFC of warrants issued in the GE Financing and shares of common stock issuable upon conversion of any such shares of Preferred Stock issued to GEHFS or OFC pursuant to the GE Financing;

e. Common Stock or other securities issued or issuable to third parties in connection with strategic partnerships or alliances, corporate partnerships, joint ventures or other licensing transactions, provided that each such transaction and related issuance is approved by the Board of Directors, including, but not limited to, (A) any shares of Preferred Stock or Common Stock issued or issuable to Ipsen Pharma SAS ("Ipsen"), pursuant to the terms of that certain License Agreement, as amended and may be amended with the approval of the Board of Directors of the Corporation and in effect from time to time, by and between the Corporation and Ipsen as payment milestones in lieu of cash payments and (B) hares of Series A-5 Stock issued or issuable pursuant to that certain Stock Issuance Agreement as of March 29, 2011 by and between the Corporation and Nordic Bioscience and the letter agreement as of March 29, 2011 by and between the Corporation and Nordic Bioscience, pursuant to which the Corporation will issue shares of the Corporation' s Series A-5 Convertible Preferred Stock, $0.01 par value per share and the issuance of Series A-6 Stock issued or to be issued as dividends on such Series A-5 Stock, and shares of Common Stock issuable upon conversion of any such shares of Series A-5 Stock and Series A-6 Stock;

f. Common Stock or other securities issued or issuable pursuant to the acquisition by the Corporation of any other corporation, partnership, joint venture, trust or other entity by any merger, stock acquisition, reorganization, or purchase of substantially all assets or otherwise in which the Corporation or its stockholders of record immediately prior to the effective date of such transaction, directly or indirectly, own at least a majority of the voting power of the acquired entity or the resulting entity after such transaction, in each case so long as approved by the Board of Directors;

g. Common Stock or other securities, the issuance of which is approved by the Existing Senior Majority, with such approval expressly waiving the application of the anti-dilution provisions of this Section A.7 as a result of such issuance;

h. Preferred Stock (and Common Stock issuable upon conversion of such Preferred Stock) or Common Stock issued or issuable pursuant to any warrant outstanding as of the date hereof or any warrant and any shares of Preferred Stock or common stock, or common stock issued upon exercise of any Preferred Stock, issued in connection with the Qualified Financing, including, but not limited to a warrant for shares of Series A-1 Preferred Stock issued or issuable to Leerink Swan, any shares of Preferred Stock or Common Stock upon exercise thereof and any Common Stock issuable upon conversion of such Preferred Stock issued upon exercise thereof;

j. All shares of Preferred Stock issued in connection with the Qualified Financing as provided in this Certificate and the Series A-1 Purchase Agreement, and all shares of Common Stock issued or issuable upon conversion of any such shares of Preferred Stock.

(iii) If the number of shares of Common Stock outstanding at any time after the Effective Time is increased by a stock dividend payable in shares of Common Stock or by a subdivision or split-up of shares of Common Stock, then, following the record date fixed for the determination of holders of Common Stock entitled to receive such stock dividend, subdivision or split-up, the applicable Conversion Price shall be appropriately decreased in the form of a Proportional Adjustment (as defined in Section A.8) so that the number of shares of Common Stock issuable on conversion of each share of Existing Preferred Stock shall be increased in proportion to such increase in outstanding shares.

(iv) If the number of shares of Common Stock outstanding at any time after the Effective Time is decreased by a combination of the outstanding shares of Common Stock (other than pursuant to the Reverse Split), then, following the record date for such combination, the applicable Conversion Price shall be appropriately increased in the form of a Proportional Adjustment so that the number of shares of Common Stock issuable on conversion of each share of Existing Preferred Stock shall be decreased in proportion to such decrease in outstanding shares.

(v) Except as contemplated in Certificate and the Series A-1 Purchaser Agreement, if at any time after the Effective Time, the Corporation shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation (other than shares of Common Stock) or in cash or other property, then and in each such event provision shall be made so that the holders of the Existing Preferred Stock shall receive upon conversion thereof in addition to the number of shares of Common Stock receivable thereupon, the kind and amount of securities of the Corporation, cash or other property which they would have been entitled to receive had the Existing Preferred Stock been converted into Common Stock on the date of such event and had they thereafter, during the period from the date of such event to and including the conversion date, retained such securities receivable by them as aforesaid during such period, giving application to all adjustments called for during such period under this paragraph with respect to the rights of the holders of the Existing Preferred Stock; and provided further, however, that no such adjustment shall be made if the holders of Existing Preferred Stock simultaneously receive a dividend or other distribution of such securities, cash, or other property in an amount equal to the amount of such securities, cash, or other property as they would have received if all outstanding shares of Existing Preferred Stock had been converted into Common Stock on the date of such event.

(vi) Subject to the provisions of Section A.4(h) above, in the event, at any time after the Effective Time, of any capital reorganization, or any reclassification of the capital stock of the

Corporation (other than pursuant to the Reverse Split, other than as contemplated under this Certificate and the Series A-1 Purchase Agreement and other than a change in par value or from par value to no par value or from no par value to par value or as a result of a stock dividend or subdivision, split-up or combination of shares), or the consolidation or merger of the Corporation with or into another person (other than pursuant to the Merger Agreement and other than any consolidation or merger in which the Corporation is the continuing

corporation and which does not result in any change in the powers, designations, preferences and rights, or the qualifications, limitations or restrictions, if any, of the capital stock of the Corporation) or of the sale or other disposition of all or substantially all the properties and assets of the Corporation in their entirety to any other person (any such transaction, an "Extraordinary Transaction"), then the Corporation shall provide appropriate adjustment in the form of a Proportional Adjustment to the applicable Conversion Price with respect to each share of Existing Preferred Stock outstanding after the effectiveness of such Extraordinary Transaction (excluding any Existing Preferred Stock redeemed pursuant to Section A.5 hereof in connection therewith) such that each share of Existing Preferred Stock outstanding immediately prior to the effectiveness of the Extraordinary Transaction (other than shares redeemed pursuant to Section A.5 hereof) shall be convertible into the kind and number of shares of stock or other securities or property of the Corporation, or of the corporation resulting from or surviving such Extraordinary Transaction, that a holder of the number of shares of Common Stock deliverable (immediately prior to the effectiveness of the Extraordinary Transaction) upon conversion of such share of Existing Preferred Stock would have been entitled to receive upon such Extraordinary Transaction. The provisions of this Section A.7(e)(v) shall similarly apply to successive Extraordinary Transactions.

(vii) All calculations under this Section A.7(e) shall be made to the nearest one-tenth of a cent ($.001) or to the nearest one-tenth of a share, as the case may be.

(viii) For the purpose of any computation pursuant to Section A.7(d) hereof or this Section A.7(e), the Current Market Price at any date of one share of Common Stock shall be defined as the average of the daily closing prices for the 30 consecutive Business Days ending on the fifth (5th) Business Day before the day in question (as adjusted for any stock dividend, split-up, combination or reclassification that took effect during such 30 Business Day period), determined as follows:

a. If the Common Stock is listed or admitted for trading on a national securities exchange, then the closing price for each day shall be the last reported sales price regular way or, in case no such reported sales took place on such day, the average of the last reported bid and asked prices regular way, in either case on the principal national securities exchange on which the Common Stock is listed or admitted to trading.

b. If the Common Stock is not at the time listed or admitted for trading on any such exchange, then such price shall be equal to the last reported bid and asked prices on such day as reported by the NASD OTCBB or the National Quotation Bureau, Inc., or any similar reputable quotation and reporting service if such quotation is not reported by the NASD OTCBB or the National Quotation Bureau, Inc.

c. If the Common Stock is not traded in such manner that the quotations referred to in this Section A.7(d)(viii) are available for the period required hereunder, then the Current Market Price shall be the fair market value of such share, as determined in good faith by a majority of the entire Board of Directors.

(ix) In any case in which the provisions of this Section A.7(e) shall require that an adjustment shall become effective immediately after a record date for an event, the Corporation may defer until the occurrence of such event (A) issuing to the holder of any shares of Existing Preferred Stock

converted after such record date and before the occurrence of such event the additional shares of capital stock issuable upon such conversion by reason of the adjustment required by such event over and above the shares of capital stock issuable upon such conversion before giving effect to such adjustment, and (B) paying to such holder any cash amounts in lieu of fractional shares pursuant to Section A.7(d) hereof; provided, however, that the Corporation shall deliver to such holder a due bill or other appropriate instrument evidencing such holder' s right to receive such additional shares and such cash upon the occurrence of the event requiring such adjustment.

(x) If a state of facts shall occur that, without being specifically controlled by the provisions of this Section A.7, would not fairly protect the conversion rights of the holders of the Existing Preferred Stock in accordance with the essential intent and principles of such provisions, then the Board of Directors shall make an adjustment in the application of such provisions, in accordance with such essential intent and principles, so as to protect such conversion rights.

(xi) Notwithstanding the foregoing, there shall be no adjustment to the Conversion Price for any issuance or deemed issuance of any shares of Common Stock (which term, for purposes of this Section A.7(e)(x), including all subsections thereof, shall be deemed to include all securities convertible into, or exchangeable or exercisable for, whether directly or indirectly, shares of Common Stock) for a consideration per share greater than the Series C Original Purchase Price.

(f) Whenever the applicable Conversion Price shall be adjusted as provided in Section A.7(e) hereof, the Corporation shall forthwith file and keep on record at the office of the Secretary of the Corporation and at the office of its transfer agent or at such other place as may be designated by the Corporation, a statement, signed by both its President or Chief Executive Officer and its Treasurer or Chief Financial Officer, showing in detail the facts requiring such adjustment and the applicable Conversion Price that shall be in effect after such adjustment. The Corporation shall also cause a copy of such statement to be sent by first-class, certified mail, return receipt requested, postage prepaid, to each Existing Preferred Stockholder at such holder' s address appearing on the Corporation' s records. Where appropriate, such copy shall be given in advance of any such adjustment and shall be included as part of a notice required to be mailed under the provisions of Section A.7(g) hereof.

(g) In the event the Corporation shall propose to take any action of the types described in Section A.7(e)(i), (iii), (iv) or (v) hereof, or any other Event of Sale, the Corporation shall give notice to each Existing Preferred Stockholder in the manner set forth in Section A.7(f) hereof, which notice shall specify the record date, if any, with respect to any such action and the date on which such action is to take place. Such notice shall also set forth such facts with respect thereto as shall be reasonably necessary to indicate the effect of such action (to the extent such effect may be known at the date of such notice) on the applicable Conversion Price with respect to the Existing Preferred Stock, and the number, kind or class of shares or other securities or property which shall be deliverable or purchasable upon each conversion of Preferred Stock. In the case of any action that would require the fixing of a record date, such notice shall be given at least 20 days prior to the record date so fixed, and in the case of any other action, such notice shall be given at least 30 days prior to the taking of such proposed action.

(h) The Corporation shall pay all documentary, stamp or other transactional taxes attributable to the issuance or delivery of shares of capital stock of the Corporation upon conversion of any shares of Existing Preferred Stock; provided, however, that the Corporation shall not be required to pay any taxes which may be payable in respect of any transfer involved in the issuance or delivery of any certificate for such shares in a name other than that of the Existing Preferred Stockholder in respect of which such shares of Existing Preferred Stock are being issued.

(i) The Corporation shall reserve out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the Existing Preferred Stock, sufficient shares of Common Stock to provide for the conversion of all outstanding shares of Existing Preferred Stock.

(j) All shares of Common Stock which may be issued in connection with the conversion provisions set forth herein will, upon issuance by the Corporation, be validly issued, fully paid and nonassessable, not subject to any preemptive or similar rights, and free from all taxes, liens or charges with respect thereto created or imposed by the Corporation.

(k) Upon the consummation of a qualified firm commitment underwritten public offering of Common Stock of the Corporation registered under the Securities Act of 1933, as amended, pursuant to which (i) the Company valuation prior to the offering is equal to or greater than $200 million and (ii) the aggregate gross proceeds to the Corporation (before deduction of underwriters commissions and expenses) are at least $40 million (a "Qualified Public Offering"), each share of Existing Preferred Stock then outstanding shall, by virtue of and immediately prior to the closing of such qualified firm commitment public offering and without any action on the part of the holder thereof, be deemed automatically converted into that number of shares of Common Stock of which the Existing Preferred Stock would be convertible if such conversion were to occur immediately prior to closing of the Qualified Public Offering. The holder of any shares of Existing Preferred Stock converted into Common Stock pursuant to this Section A.7(k) shall be entitled to payment of all declared or accrued but unpaid dividends, if any, payable on or with respect to such shares up to and including the date of the closing of such Qualified Public Offering which shall be deemed the Conversion Date for purposes of this Section A.7(k).

8. Definitions. As used in this Part A of Article III of this Certificate, the following terms shall have the corresponding meanings:

"Business Day" shall mean any day other than a Saturday, Sunday or day on which banks are closed in the city and state where the principal executive office of the Corporation is located.

"Series A Original Purchase Price" shall mean, with respect to the Series A Stock and after giving effect to the Reverse Split, $15.00 per share, subject, for all purposes other than Section A.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series B Original Purchase Price" shall mean, with respect to the Series B Stock and after giving effect to the Reverse Split, $15.00 per share, subject, for all purposes other than Section A.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series C Original Purchase Price" shall mean, with respect to the Series C Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section A.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Proportional Adjustment" shall mean an adjustment made to the price of the Preferred Stock upon the occurrence of a stock split, reverse stock split, stock dividend, stock combination reclassification or other similar change with respect to such security, such that the price of one share of the Preferred Stock before the occurrence of any such

change shall equal the aggregate price of the share (or shares or fractional share) of such security (or any other security) received by the holder of the Preferred Stock with respect thereto upon the effectiveness of such change. Notwithstanding the foregoing, the Reverse Split shall not rigger or give rise to any Proportional Adjustment.

9. Forced Conversion in the Qualified Financing.

(a) Definitions. For purposes of this Section A.9 of Article III, the following definitions shall apply:

(i) "Applicable Portion" shall mean that percentage of a holder of Existing Preferred Stock' s Pro Rata Portion not committed to be purchased by such holder in the Qualified Financing.

(ii) "Offered Securities" shall mean the Series A-1 Stock offered for sale in the Qualified Financing.

(iii) "Pro Rata Portion" shall mean, with respect to any holder of Existing Preferred Stock, that percentage figure which expresses the ratio that (A) the number of shares of issued and outstanding Common Stock owned by such holder of Existing Preferred Stock as of March 31, 2011 (or, in the case of a holder of Existing Preferred Stock who received all of its shares of Existing Preferred Stock in a transfer from a former holder of Existing Preferred Stock occurring after March 31, 2011, the number shares of issued and outstanding Common Stock owned by such former holder of Existing Preferred Stock as of March 31, 2011) bears to (B) the aggregate number of shares of issued and outstanding Common Stock owned as of such date by all holders of Existing Preferred Stock. For purposes of the computation set forth in clauses (A) and (B) above, all issued and outstanding securities held by holders of Existing Preferred Stock (or former holders of Existing Preferred Stock, as applicable, under clause (A) above) that are convertible into or exercisable or exchangeable for shares of Common Stock (including any issued and issuable shares of Existing Preferred Stock) or for any such convertible, exercisable or exchangeable securities, shall be treated as having been so converted, exercised or exchanged at the rate or price at which such securities are convertible, exercisable or exchangeable for shares of Common Stock in effect at the time in question, whether or not such securities are at such time immediately convertible, exercisable or exchangeable.

(iv) "Qualified Financing" shall mean the transaction involving the issuance of shares of Series A-1 Stock pursuant to the terms of the Series A-1 Purchase Agreement.

(v) "Series A-1 Offering Existing Investor Available Amount" means Thirty Five Million Dollars ($35,000,000) of the total amount of Offered Securities in the Qualified Financing.

(vi) "Series A-1 Purchase Agreement" shall mean that certain Series A-1 Convertible Preferred Stock Purchase Agreement dated as of April 25, 2011 by and among the Corporation and the "Investors" party thereto.

(b) Conversion of Existing Preferred Stock to Common Stock in Connection with the Qualified Financing. In the event that an Existing Preferred Stockholder does not participate in the Qualified Financing by committing to purchase and purchasing (or securing an investor who commits to purchase and purchases), pursuant to the terms of the Series A-1 Purchase Agreement, in the Qualified Financing in the aggregate and within the time period specified in the Series A-1 Purchase Agreement such holder' s Pro Rata Portion of the Series A-1 Offering Existing Investor Available Amount, then the Applicable Portion of each series of Existing Preferred Stock held by such holder shall automatically, and without any further action on the part of such holder, be converted into shares of Common Stock at a rate

of 1 share of Common Stock for every 5 shares of Existing Preferred Stock to be so converted and all accrued dividends on such shares of Existing Preferred Stock shall be forfeited. The conversion set forth in this paragraph (b) is referred to as the "Forced Conversion". The Forced Conversion shall become effective immediately prior to, but subject to the consummation of, the Stage I Closing (as defined in the Series A-1 Purchase Agreement).

(c) Conversion of Series C Stock to Series A-2 Stock in the Qualified Financing. Each share of Series C Stock that remains outstanding after the Forced Conversion shall, immediately following the Forced Conversion and upon the consummation of the Stage I Closing, automatically, and without any further action by any holder thereof, be reclassified and converted into one (1) share of Series A-2 Stock and all accrued dividends on such reclassified shares of Series C Stock shall be forfeited.

(d) Conversion of Series B Stock to Series A-3 Stock in the Qualified Financing. Each share of Series B Stock that remains outstanding after the Forced Conversion shall, immediately following the Forced Conversion and upon the consummation of the Stage I Closing, automatically, and without any further action by any holder thereof, be reclassified and converted into one (1) share of Series A-3 Stock and all accrued dividends on such reclassified shares of Series B Stock shall be forfeited.

(e) Conversion of Series A Stock to Series A-4 Stock in the Qualified Financing. Each share of Series A Stock that remains outstanding after the Forced Conversion shall, immediately following the Forced Conversion and upon the consummation of the Stage I Closing, automatically, and without any further action by any holder thereof, be reclassified and converted into one (1) share of Series A-4 Stock.

(f) Procedure. Immediately following the Stage I Closing, all stock certificates representing shares of Existing Preferred Stock shall be deemed cancelled and shall thereafter be deemed to evidence only (i) the number of shares of Common Stock into which such shares of Existing Preferred Stock were converted as a result of the Forced Conversion or (ii) the number of shares of Series A-2 Stock, Series A-3 or Series A-4 Stock into which such shares of Existing Preferred Stock were reclassified and converted pursuant to the foregoing provisions of this Section A.9 of Article III. Each holder of a certificate or certificates that, immediately before the Stage I Closing, represented shares of Existing Preferred Stock shall, as soon as practicable after the Stage I Closing, surrender such certificate or certificates, duly endorsed for transfer or with duly executed stock transfer powers sufficient to permit transfers attached, at the office of the Corporation or any transfer agent for such shares of Existing Preferred Stock (or such holder shall notify the Corporation or any transfer agent that such certificate or certificates have been lost, stolen or destroyed and shall execute an agreement reasonably satisfactory to the Corporation to indemnify the Corporation from any loss incurred by it in connection therewith). The Corporation shall, as soon as practicable thereafter, issue and deliver at such office to such holder, or to such holder' s nominee or nominees, a certificate or certificates for the number of shares of Common Stock into which such holder' s shares of Existing Preferred Stock were converted pursuant to the Forced Conversion or shares of

Series A-2 Stock, Series A-3 or Series A-4 Stock, as applicable, to which such holder shall be entitled as aforesaid. From and after the Stage I Closing, each stock certificate that, prior to the Stage I Closing, represented shares of Existing Preferred Stock that were converted into Common Stock pursuant to the Forced Conversion or reclassified and converted into shares of Series A-2 Stock, Series A-3 or Series A-4 Stock as provided above shall, until its surrender, be deemed to represent the number of shares of Common Stock, Series A-2 Stock, Series A-3 or Series A-4 Stock, as applicable, into which such shares of Existing Preferred Stock were converted or reclassified.

(g) No Reissue of Converted Existing Preferred Stock. No share of Existing Preferred Stock that is converted pursuant to any of the provisions of this Section A.9 shall be reissued, and the

Corporation shall not hold such share of Existing Preferred Stock so converted in treasury but, instead, shall retire and cancel such share immediately upon the conversion thereof pursuant to this Section A.9.

PART B. NEW PREFERRED STOCK

1. Designation and Amount. The number of shares, powers, terms, conditions, designations, preferences and privileges, relative, participating, optional and other special rights, and qualifications, limitations and restrictions, if any, of the New Preferred Stock shall be as set forth in this Part B. The number of authorized shares of the Series A-1 Stock is Ten Million (10,000,000), the number of authorized shares of the Series A-2 Stock is Nine Million Eight Hundred Thirty-two Thousand One Hundred Thirty-three (9,832,133), the number of authorized shares of the Series A-3 Stock is One Million Four Hundred Twenty-two Thousand Three Hundred (1,422,300), the number of authorized shares of the Series A-4 Stock is Forty Thousand and Three (40,003), the number of authorized shares of the Series A-5 Stock is Seventy Thousand (70,000) and the number of authorized shares of the Series A-6 Stock is Eight Million (8,000,000).

2. Ranking. As to dividends (other than with respect to the payment of the Series A-5 Accruing Dividend which shall rank senior in payment to any other dividends payable on any and all series of New Preferred Stock) and upon Liquidation (as defined in Section B.4(b) hereof) or an Event of Sale (as defined in Section B.5 hereof), each share of Series A-1 Stock shall rank equally with each other share of Series A-1 Stock and senior to all shares of Series A-2 Stock, Series A-3 Stock, Series A-4 Stock, Series A-5 Stock, Series A-6 Stock and shares of Common Stock and all other classes or series of stock not authorized by this Certificate as of the Effective Time; each share of Series A-2 Stock shall rank equally with each other share of Series A-2 Stock and senior to all shares of Series A-3 Stock, Series A-4 Stock, Series A-5 Stock, Series A-6 Stock and shares of Common Stock and all other classes or series of stock not authorized by this Certificate as of the Effective Time; each share of Series A-3 Stock, Series A-5 Stock and Series A-6 Stock shall rank equally with each other share of Series A-3 Stock, Series A-5 and Series A-6 Stock and senior to all shares of Series A-4 Stock and shares of Common Stock and all other classes or series of stock not authorized by this Certificate as of the Effective Time; except, in all cases, as otherwise approved by the affirmative vote or consent of holders of shares of Series A-1 Stock, Series A-2 Stock and/or Series A-3 Stock representing at least 70% of the voting power of the shares of Series A-1 Stock, Series A-2 Stock and Series A-3 Stock then outstanding (determined as set forth in the second sentence of Section A.6(a) hereof) (the "New Senior Majority"). Each share of Series A-4 Stock, shall rank equally with each other share of Series A-4 Stock and senior to all shares of Common Stock and all other classes or series of stock not authorized by this Certificate as of the Effective Time, except as otherwise approved by the affirmative vote or consent of the New Senior Majority.

3. Dividend Provisions.

(a) Series A-1 Stock. The holders of shares of Series A-1 Stock shall be entitled to receive a per share dividend at the rate of 8% of the Series A-1 Original Purchase Price (as defined in Section B.8 hereof) per annum, compounding annually (the "Series A-1 Accruing Dividend"), and which will accrue on a quarterly basis commencing on the date of issuance of such share of Series A-1 Stock. The holders of Series A-1 Stock shall be entitled to receive dividends prior in right to the payment of dividends and other distributions (whether in cash, property or securities of the Corporation, including subscription or other rights to acquire securities of the Corporation) on the Series A-2 Stock, Series A-3 Stock, Series A-4 Stock, Series A-5 Stock, Series A-6 Stock and Common Stock, but not with respect to the payment of the Series A-5 Special Accruing Dividend, as set forth in Section B.3(d) below, which shall rank senior in payment to any dividends payable with

respect to the Series A-1 Stock. Any dividends with respect to the Series A-1 Stock shall be payable, at the sole discretion of the Board of Directors, in cash or the issuance of that number of shares of Common Stock equal to the quotient obtained by dividing (x) the amount of such

accrued and unpaid dividends thereon by (y) the Current Market Price of a share of Common Stock, when, as and if declared or paid by the Board of Directors and, as accrued, on any Liquidation or Event of Sale. Dividends with respect to the Series A-1 Stock shall be payable in shares of Common Stock (calculated based upon the then effective Series A-1 Conversion Price), as accrued, upon the conversion of the Series A-1 Stock into Common Stock. Whenever any dividend may be declared or paid on any share of Series A-1 Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series A-1 Stock then outstanding, so that all outstanding shares of Series A-1 Stock will participate equally with each other and ratably per share (calculated as provided in Section B.3(f) hereof). Whenever any dividend or other distribution, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series A-1 Stock then outstanding so that all outstanding shares of Series A-1 Stock will participate in such dividend ratably with such shares of Common Stock (calculated as provided in Section B.3(e) hereof); or (ii) any shares of any other series of Preferred Stock (other than the Series A-2 Accruing Dividend, the Series A-3 Accruing Dividend and the Series A-5 Special Accruing Dividend), the Board of Directors shall also declare and pay a dividend on the same terms, at the same or equivalent rate upon each share of the Series A-1 Stock then outstanding so that all outstanding shares of Series A-1 Stock will participate in such dividend ratably with such shares of such other series of Preferred Stock (based on the number of shares of Common Stock into which each share of Series A-1 Stock and each share of such other series of Preferred Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of such other series of Preferred Stock as compared with the Series A-1 Stock then outstanding).

(b) Series A-2 Stock. The holders of shares of Series A-2 Stock shall be entitled to receive a per share dividend at the rate of 8% of the Series A-2 Original Purchase Price (as defined in Section B.8 hereof) per annum, compounding annually (the "Series A-2 Accruing Dividend"), and which will accrue on a quarterly basis commencing on the date of issuance of such share of Series A-2 Stock. The holders of Series A-2 Stock shall be entitled to receive dividends prior in right to the payment of dividends and other distributions (whether in cash, property or securities of the Corporation, including subscription or other rights to acquire securities of the Corporation) on the Series A-3 Stock, Series A-4 Stock, Series A-5 Stock, Series A-6 Stock and Common Stock, but not with respect to the payment of the Series A-5 Special Accruing Dividend, as set forth below in Section B.3(d) below, which shall rank senior in payment to any dividends payable with respect to the Series A-2 Stock. Any dividends with respect to the Series A-2 Stock shall be payable, at the sole discretion of the Board of Directors, in cash or the issuance of that number of shares of Common Stock equal to the quotient obtained by dividing (x) the amount of such accrued and unpaid dividends thereon by (y) the then fair market value of a share of Common Stock, when, as and if declared or paid by the Board of Directors and, as accrued, on any Liquidation or Event of Sale. Dividends with respect to the Series A-2 Stock shall be payable in shares of Common Stock (calculated based upon the then effective Series A-2 Conversion Price), as accrued, upon the conversion of the Series A-2 Stock into Common Stock. Whenever any dividend may be declared or paid on any share of Series A-2 Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series A-2 Stock then outstanding, so that all outstanding shares of Series A-2 Stock will participate equally with each other and ratably per share (calculated as provided in Section B.3(f) hereof). Whenever any dividend or other distribution, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series A-2 Stock then outstanding so that all outstanding shares of Series A-2 Stock will participate in such dividend ratably with such shares of Common Stock (calculated as provided in Section B.3(f) hereof); or (ii) any shares of any other series of Preferred Stock (other than the Series A-1 Accruing Dividend, the Series A-3 Accruing Dividend and the Series A-5 Special Accruing Dividend), the Board of Directors shall also declare and pay

a dividend on the same terms, at the same or equivalent rate upon each share of the Series A-2 Stock then outstanding so that all outstanding shares of Series A-2 Stock will participate in such dividend ratably with such shares of such other series of Preferred Stock (based on the number of shares of Common Stock into which each share of Series A-2 Stock and each share of such other series of Preferred Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of such other series of Preferred Stock as compared with the Series A-2 Stock then outstanding).

(c) Series A-3 Stock. The holders of shares of Series A-3 Stock shall be entitled to receive a per share dividend at the rate of 8% of the Series A-3 Original Purchase Price (as defined in Section B.8 hereof) per annum, compounding annually (the "Series A-3 Accruing Dividend"), and which will accrue on a quarterly basis commencing on the date of issuance of such share of Series A-3 Stock. The holders of Series A-3 Stock shall be entitled to receive dividends prior in right to the payment of dividends and other distributions (whether in cash, property or securities of the Corporation, including subscription or other rights to acquire securities of the Corporation) on the Series A-4 Stock, Series A-5 Stock, Series A-6 Stock and Common Stock, but not with respect to the payment of the Series A-5 Special Accruing Dividend, as set forth below in Section B.3(d) below, which shall rank senior in payment to any dividends payable with respect to the Series A-3 Stock. Any dividends with respect to the Series A-3 Stock shall be payable, at the sole discretion of the Board of Directors, in cash or the issuance of that number of shares of Common Stock equal to the quotient obtained by dividing (x) amount of such accrued and unpaid dividends thereon by (y) the then fair market value of a share of Common Stock, when, as and if declared or paid by the Board of Directors and, as accrued, on any Liquidation or Event of Sale. Dividends with respect to the Series A-3 Stock shall be payable in shares of Common Stock (calculated based upon the then effective Series A-3 Conversion Price), as accrued, upon the conversion of the Series A-3 Stock into Common Stock. Whenever any dividend may be declared or paid on any share of Series A-3 Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series A-3 Stock then outstanding, so that all outstanding shares of Series A-3 Stock will participate equally with each other and ratably per share (calculated as provided in Section B.3(f) hereof). Whenever any dividend or other distribution, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series A-3 Stock then outstanding so that all outstanding shares of Series A-3 Stock will participate in such dividend ratably with such shares of Common Stock (calculated as provided in Section B.3(f) hereof); or (ii) any shares of any other series of Preferred Stock (other than the Series A-1 Accruing Dividend, the Series A-2 Accruing Dividend and the Series A-5 Special Accruing Dividend), the Board of Directors shall also declare and pay a dividend on the same terms, at the same or equivalent rate upon each share of the Series A-3 Stock then outstanding so that all outstanding shares of Series A-3 Stock will participate in such dividend ratably with such shares of such other series of Preferred Stock (based on the number of shares of Common Stock into which each share of Series A-3 Stock and each share of such other series of Preferred Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of such other series of Preferred Stock as compared with the Series A-3 Stock then outstanding).

(d) Series A-5 Stock. Without regard to the payment of the required dividends to the holders of Series A-1 Stock, Series A-2 Stock and Series A-3 Stock in accordance with Section B.3(a), (b) and (c), respectively, above, the holders of shares of the Series A-5 Stock shall be entitled to receive a per share dividend (the "Series A-5 Special Accruing Dividend") that shall accrue and be paid in the form of Series A-6 Stock or other securities subject to and in accordance with the provisions of that certain Stock Issuance Agreement to which the Corporation and Nordic Bioscience Clinical Development VII A/S are party dated March 29, 2011 (the "Stock Issuance Agreement"). Whenever any dividend may be declared or paid on any shares of Series A-5 Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series A-5 Stock then

outstanding, so that all outstanding shares of Series A-5 Stock will participate equally with each other and ratably per share (calculated as provided in Section B.3(f) hereof). Whenever any dividend or other distribution, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series A-5 Stock then outstanding so that all outstanding shares of Series A-5 Stock will participate in such dividend ratably with such shares of Common Stock (calculated as provided in Section B.3(f) hereof); or (ii) any shares of any other series of Preferred Stock (other than the Series A-1 Accruing Dividend, the Series A-2 Accruing Dividend and the Series A-3 Accruing Dividend), the Board of

Directors shall also declare and pay a dividend on the same terms, at the same or equivalent rate upon each share of the Series A-5 Stock then outstanding so that all outstanding shares of Series A-5 Stock will participate in such dividend ratably with such shares of such other series of Preferred Stock (based on the number of shares of Common Stock into which each share of Series A-5 Stock and each share of such other series of Preferred Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of such other series of Preferred Stock as compared with the Series A-5 Stock then outstanding).

(e) Series A-4 Stock and Series A-6 Stock. Following payment in full of required dividends to the holders of Series A-1 Stock, Series A-2 Stock, Series A-3 and Series A-5 Stock or any other class or series of capital stock that is senior to or on parity with the any such series of Preferred Stock as to dividends, in accordance with Sections B.3(a), (b), (c) or (d) above or any other section of this Certificate as in effect from time to time, the holders of shares of the Series A-4 Stock and Series A-6 Stock shall be entitled to receive, when, if and as declared by the Board of Directors, dividends on any shares of Series A-4 Stock or Series A-6 Stock, as the case may be, out of funds legally available for that purpose, at a rate to be determined by the Board of Directors if and when they may so declare any dividend on the Series A-4 Stock or A-6 Stock, as the case may be. Whenever any dividend may be declared or paid on any shares of Series A-4 Stock or Series A-6 Stock, as applicable, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series A-4 Stock or the Series A-6 Stock, as applicable, then outstanding, so that all outstanding shares of Series A-4 Stock or Series A-6 Stock, as applicable, will participate equally with each other and ratably per share (calculated as provided in Section B.3(f) hereof). Whenever any dividend or other distribution, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series A-4 Stock and Series A-6 Stock then outstanding so that all outstanding shares of Series A-4 Stock and Series A-6 Stock will participate in such dividend ratably with such shares of Common Stock (calculated as provided in Section B.3(f) hereof); or (ii) any shares of any other series of Preferred Stock (other than the Series A-1 Accruing Dividend, the Series A-2 Accruing Dividend, the Series A-3 Accruing Dividend and the Series A-5 Special Accruing Dividend), the Board of Directors shall also declare and pay a dividend on the same terms, at the same or equivalent rate upon each share of the Series A-4 Stock and Series A-6 Stock then outstanding so that all outstanding shares of Series A-4 Stock and Series A-6 Stock will participate in such dividend ratably with such shares of such other series of Preferred Stock (based on the number of shares of Common Stock into which each share of Series A-4 Stock and Series A-6 Stock and each share of such other series of Preferred Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of such other series of Preferred Stock as compared with the Series A-4 Stock and Series A-6 Stock then outstanding).

(f) In connection with any dividend declared or paid hereunder, each share of Preferred Stock shall be deemed to be that number of shares (including fractional shares) of Common Stock into which it is then convertible, rounded up to the nearest one-tenth of a share. No fractional shares of capital stock shall be issued as a dividend hereunder. The Corporation shall pay a cash adjustment for any

such fractional interest in an amount equal to the fair market value thereof on the last Business Day (as defined in Section B.8 hereof) immediately preceding the date for payment of dividends as determined by the Board of Directors in good faith.

4. Liquidation Rights.

(a) As to rights upon any Liquidation or an Event of Sale, each share of Series A-1 Stock shall rank equally with each other share of Series A-1 Stock and senior to all shares of Series A-2 Stock, Series A-3 Stock, Series A-4 Stock, Series A-5 Stock and Series A-6 Stock; each share of Series A-2 Stock shall rank equally with each other share of Series A-2 Stock and senior to all shares of Series A-3 Stock, Series A-4 Stock, Series A-5 Stock and Series A-6 Stock; each share of Series A-3 Stock, Series A-5 Stock and Series A-6 Stock shall rank equally with each other share of Series A-3 Stock, Series A-5 and Series A-6 Stock and senior to all shares of Series A-4 Stock and shares of Common Stock and all other classes or series of stock not authorized by this Certificate as of the Effective Time, except as otherwise approved by the affirmative vote or consent of the New Senior Majority. Each share of Series A-4 Stock, shall rank equally with each other share of Series A-4 Stock and senior to all shares of Common Stock and all other classes or series of stock not authorized by this Certificate as of the Effective Time, except as otherwise approved by the affirmative vote or consent of the New Senior Majority.

(b) In the event of any liquidation, dissolution or winding-up of the affairs of the Corporation (collectively, a "Liquidation"): (i) the holders of shares of Series A-1 Stock then outstanding (the "Series A-1 Stockholders") shall be entitled to receive, ratably with each other, out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the holders of Series A-2 Stock then outstanding (the "Series A-2 Stockholders"), Series A-3 Stock then outstanding (the "Series A-3 Stockholders"), Series A-4 Stock then outstanding (the "Series A-4 Stockholders"), Series A-5 Stock then outstanding (the "Series A-5 Stockholders") or Series A-6 Stock then outstanding (the "Series A-6 Stockholders" and collectively with the Series A-1 Stockholders, Series A-2 Stockholders, Series A-3 Stockholders, Series A-4 Stockholders and the Series A-5 Stockholders, the "New Preferred Stockholders"), or the holders of Common Stock or any other class or series of stock ranking on Liquidation junior to such Series A-1 Stock, an amount per share equal to the Series A-1 Original Purchase Price (as defined in Section B.8 hereof), plus an amount equal to any declared or accrued but unpaid dividends thereon, calculated pursuant to Section B.3(a) hereof; and (ii) after the distribution to the Series A-1 Stockholders, and any other class or series of capital stock that is senior to the Series A-2 Stock as to Liquidation, of the full amount to which they are entitled to receive pursuant to this Section B.4(b) or any other section of this Certificate as in effect from time to time, the Series A-2 Stockholders, shall be entitled to receive, ratably with each other, out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the Series A-3 Stockholders, the Series A-4 Stockholders, the Series A-5 Stockholders or the Series A-6 Stockholders, or the holders of Common Stock or any other class or series of stock ranking on Liquidation junior to such Series A-2 Stock, an amount per share equal to the Series A-2 Original Purchase Price (as defined in Section B.8 hereof), plus an amount equal to any declared or accrued but unpaid dividends thereon, calculated pursuant to Section B.3(b) hereof; (iii) after the distribution to the Series A-1 Stockholders, the Series A-2 Stockholders and holders of any other class or series of capital stock that is senior the Series A-3 Stock as to Liquidation, of the full amount to which they are entitled to receive pursuant to this Section B.4(b) or any other section of this Certificate as in effect from time to time, the Series A-3 Stockholders, the Series A-5 Stockholders, and the Series A-6 Stockholders shall be entitled to receive out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the Series A-4 Stockholders or the holders of Common Stock or any other class or series of stock ranking

on Liquidation junior to such Series A-3 Stock, Series A-5, or Series A-6 Stock an amount per share equal to the Series A-3 Original Purchase Price (as defined in Section B.8 hereof), Series A-5 Original Purchase Price (as defined in Section B.8 hereof) or Series A-6 Original Purchase Price (as defined in Section B.8 hereof), respectively, plus an amount equal to any declared or accrued but unpaid dividends thereon, calculated pursuant to Section B.3 hereof; and (iv) after the distribution to the Series A-1 Stockholders, the Series A-2 Stockholders, the Series A-3 Stockholders, the Series A-5 Stockholders, the Series A-6 Stockholders and holders of any other class or series of capital stock that is senior to the Series A-4 Stock as to Liquidation, of the full amount to which they are entitled to receive pursuant to this Section B.4(b) or any other section of this Certificate as in effect from time to time, the Series A-4 Stockholders shall be entitled to receive out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the holders of Common Stock or any other class or series of stock ranking on Liquidation junior to such Series A-4 Stock an amount per share equal to the Series A-4 Original Purchase Price (as defined in Section B.8 hereof), plus an amount equal to any declared but unpaid dividends thereon, calculated pursuant to Section B.3 hereof.

(c) If, upon any Liquidation, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series A-1 Stockholders the full amount to which each of them shall be entitled pursuant to Section A.4(b) above, then the Series A-1 Stockholders shall share ratably in any distribution of assets according to the respective amounts which would be payable to them in respect of the shares of Series A-1 Stock held upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(d) If, upon any Liquidation, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series A-2 Stockholders the full amount to which each of them shall be entitled pursuant to Section B.4(b) above and to pay to the holders of any other class or series of capital stock that is on a parity with the Series A-2 Stock upon Liquidation the full amount to which each of such holders shall be entitled pursuant to Section B.4(b) or any other section of this Certificate as in effect from time to time, then the Series A-2 Stockholders and such holders shall share ratably in any distribution of assets according to the respective amounts which

would be payable to them in respect of the shares of Series A-2 Stock and the shares of such other class or series of capital stock held upon such distribution if all amounts payable on or with respect to all of such shares were paid in full.

(e) If, upon any Liquidation, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series A-3 Stockholders, the Series A-5 Stockholders and the Series A-6 Stockholders the full amount to which each of them shall be entitled pursuant to Section B.4(b) above and to pay to the holders of any other class or series of capital stock that is on a parity with the Series A-3, Series A-5 Stock and the Series A-6 Stock upon Liquidation the full amount to which each of such holders shall be entitled pursuant to Section B.4(b) or any other section of this Certificate as in effect from time to time, then the Series A-3 Stockholders, the Series A-5 Stockholders, the Series A-6 Stockholders and such holders shall share ratably in any distribution of assets according to the respective amounts which would be payable to them in respect of the shares of Series A-3 Stock, Series A-5 Stock and Series A-6 Stock and the shares of such other class or series of capital stock, as the case may be, held upon such distribution if all amounts payable on or with respect to all of such shares were paid in full.

(f) If, upon any Liquidation, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series A-4 Stockholders the full amount to which each of them shall be entitled pursuant to Section B.4(b) above and to pay to the holders of any other class or series of capital stock that is on a parity with the Series A-4 Stock upon Liquidation the full amount to which each of such holders shall be entitled pursuant to Section B.4(b) or any other section of this Certificate as in effect from time to time, then the Series A-4 Stockholders and such holders shall share ratably in any distribution of assets according to the respective amounts which would be payable to them in respect of the

shares of Series A-4 Stock and the shares of such other class or series of capital stock held upon such distribution if all amounts payable on or with respect to all of such shares were paid in full.

(g) In the event of any Liquidation, after payment shall have been made to the New Preferred Stockholders of the full amount to which they shall be entitled pursuant to Section B.4(b) and to the holders of any class or series of capital stock that is senior to or on parity with the New Preferred Stock, or any series, thereof, as in effect from time to time, the holders of each other class or series of capital stock (other than Common Stock) ranking on Liquidation junior to the New Preferred Stock, but senior to the Common Stock, as a class, shall be entitled to receive an amount equal (and in like kind) to the aggregate preferential amount fixed for each such junior class or series of capital stock. If, upon any Liquidation, after payment shall have been made to the New Preferred Stockholders of the full amount to which they shall be entitled pursuant to Section B.4(b), the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay a class or series of capital stock (other than the Common Stock) junior to the New Preferred Stock the full amount to which they shall be entitled pursuant to the preceding sentence, the holders of such other class or series of capital stock shall share ratably, based upon the number of then outstanding shares of such other class or series of capital stock, in any remaining distribution of assets according to the respective preferential amounts fixed for such junior class or series of capital stock or which would be payable to them in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(h) In the event of any Liquidation, after payments shall have been made first to the New Preferred Stockholders and to the holders of any class or series of capital stock that is senior to or on parity with the New Preferred Stock, or any series thereof, as in effect from time to time, and to the holders of class or series of capital stock that is junior to or on parity with the New Preferred Stock but senior to the Common Stock, of the full amount to which they each shall be entitled as aforesaid, the holders of Common Stock, as a class, shall be entitled to share ratably with the holders of Participating Preferred Stock as provided in the last sentence in this Section B.4(h)) in all remaining assets of the Corporation legally available for distribution to its stockholders. For purposes of calculating the amount of any payment to be paid upon any such Liquidation pursuant to the participation feature described in this Section B.4(h), each share of such Participating Preferred Stock shall be deemed to be that number of shares (including fractional shares and any shares attributable to the payment of accrued and unpaid dividends upon conversion of such Participating Preferred Stock pursuant to Section B.7(b)) of Common Stock into which it is then convertible, rounded to the nearest one-tenth of a share.

(i) (i) In the event of and simultaneously with the closing of an Event of Sale, the Corporation shall, unless waived by the New Senior Majority or otherwise prevented by law, redeem all of the shares of New Preferred Stock then outstanding for a cash amount per share determined as set forth in Sections B.4(a) through (h) hereof (the "Special Liquidation Price," said redemption being referred to herein as a "Special Liquidation"). In the event the Event of Sale involves consideration that does not consist of cash, then the Special Liquidation Price may be paid with such consideration having a value equal to the Special Liquidation Price. To the extent there is any cash consideration in connection with an Event of Sale, at the option of the New Senior Majority, the cash consideration will first (i) be applied to satisfy the Special Liquidation Price payable to the Series A-1 Stockholders and to the holders of any other class or series of capital stock that is senior to or on parity with the Series A-1 Stock as to Liquidation; and then (ii) be applied to satisfy the Special Liquidation Price payable to the holders of Series A-2 Stock and to the holders of any other class or series of capital stock that is junior to the Series A-1 Stock but senior to or on parity with the Series A-2 Stock as to Liquidation; and then (iii) be applied to satisfy the Special Liquidation Price payable to holders of Series A-3 Stock, Series A-5 Stock, Series A-6 Stock and any other class or series of capital stock that is junior to the Series A-2 Stock but senior to or on parity with the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock as to Liquidation (in relative proportion to the full liquidation preference the Series A-3 Stockholders, Series A-5 Stockholders, Series A-6 Stockholders and

the holders of such other class or series of capital stock would have received had there been sufficient cash consideration to have paid their liquidation preference in full) and then (iv) be applied to satisfy the Special Liquidation Price payable to the holders of Series A-4 Stock and to the holders of any other class or series of capital stock that is junior to the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock but senior to or on parity with the Series A-4 Stock, in all cases, prior to the payment thereof to any other stockholders of the Corporation. For all purposes of this Section B.4(i), the Special Liquidation Price shall be equal to that amount per share which would be received by each New Preferred Stockholder if, in connection with an Event of Sale, all the consideration paid in exchange for the assets or the shares of capital stock (as the case may be) of the Corporation were actually paid to and received by the Corporation and the Corporation were immediately thereafter liquidated and its assets distributed pursuant to Sections B.4(a) through (h) hereof. To the extent that one or more redemptions (as described in Section B.5 hereof) and/or Special Liquidations are occurring concurrently, the Special Liquidation under this Section B.4(i) shall be deemed to occur first. The date upon which the Special Liquidation shall occur is sometimes referred to herein as the "Special Liquidation Date".

(ii) In the absence of an applicable waiver pursuant to Section B.4(i) above, at any time on or after the Special Liquidation Date, a New Preferred Stockholder shall be entitled to receive the Special Liquidation Price for each such share of New Preferred Stock owned by such holder. Subject to the provisions of Section B.4(i)(iii) hereof, payment of the Special Liquidation Price will be made to each such holder upon actual delivery to the Corporation or its transfer agent of the certificate of such holder representing such shares of New Preferred Stock, as the case may be, or an affidavit of loss as to the same.

(iii) If on the Special Liquidation Date less than all the shares of New Preferred Stock then outstanding may be legally redeemed by the Corporation, the Special Liquidation shall be made first as to the Series A-1 Stock (and any other class or series of capital stock that is senior to or on parity with the Series A-1 Stock as to Liquidation), pro rata with respect to such Series A-1 Stock (or such other class or series of capital stock that is senior to or on parity with the Series A-1 Stock as to Liquidation) based upon the number of outstanding shares of Series A-1 Stock (or such other class or series of capital stock that is senior to or on parity with the Series A-1 Stock as to Liquidation) then owned by each such holder thereof until such holders are satisfied in full, and then to the Series A-2 Stock (and any other class or series of capital stock that is junior to the Series A-1 Stock but senior to or on parity with the Series A-2 Stock as to Liquidation), pro rata with respect to such Series A-2 Stock (or such other class or series of capital stock that is junior to the Series A-1 Stock but senior to or on parity with the Series A-2 Stock as to Liquidation) based upon the number of outstanding shares of Series A-2 Stock (or such other class or series of capital stock that is junior to the Series A-1 Stock but senior to or on parity with the Series A-2 Stock as to Liquidation) then owned by each such holder thereof until such holders are satisfied in full, and then to the holders of the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock (and any other class or series of capital stock that is junior to the Series A-2 Stock but senior to or on parity with the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock as to Liquidation), pro rata with respect to such Series A-3, Stock Series A-5 Stock and Series A-6 Stock (or such other class or series of capital stock that is junior to the Series A-2 Stock but senior to or on parity with the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock as to Liquidation) based upon the number of outstanding shares of Series A-3 Stock, Series A-5 Stock and Series A-6 Stock (or such other class or series of capital stock that is junior to the Series A-2 Stock but senior to or on parity with the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock as to Liquidation) then owned by each holder thereof, and then to the

Series A-4 Stock (and any other class or series of capital stock that is junior to the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock but senior to or on parity with the Series A-4 Stock as to Liquidation), pro rata with respect to such Series A-4 Stock (or such other class or series of capital stock that is junior to the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock but senior to or on parity with the Series A-4 Stock as to Liquidation) based upon the number of outstanding shares of Series A-4 Stock (or such other

class or series of capital stock that is junior to the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock but senior to or on parity with the Series A-4 Stock as to Liquidation) then owned by each such holder thereof until such holders are satisfied in full.

(iv) On and after any Special Liquidation Date, all rights in respect of the shares of New Preferred Stock to be redeemed shall cease and terminate except the right to receive the applicable Special Liquidation Price as provided herein, and such shares of New Preferred Stock shall no longer be deemed to be outstanding, whether or not the certificates representing such shares of New Preferred Stock have been received by the Corporation; provided, however, that, if the Corporation defaults in the payment of the Special Liquidation Price with respect to any New Preferred Stock, the rights of the holder(s) thereof with respect to such shares of New Preferred Stock shall continue until the Corporation cures such default.

(v) Anything contained herein to the contrary notwithstanding, all or any of the provisions of this Section B.4(i) may be waived by the New Senior Majority, by delivery of written notice of waiver to the Corporation prior to the closing of any Event of Sale.

(vi) Any notice required to be given to the holders of shares of New Preferred Stock pursuant to Section B.7(g) hereof in connection with an Event of Sale shall include a statement by the Corporation of (A) the Special Liquidation Price which each New Preferred Stockholder shall be entitled to receive upon the occurrence of a Special Liquidation under this Section B.4(i) and (B) the extent to which the Corporation will, if at all, be legally prohibited from paying each holder of New Preferred Stock the Special Liquidation Price.

5. Definition of "Event of Sale" and "Shell Company Successor". For purposes of this Part B of Article III, an "Event of Sale" shall mean: (A) the sale by the stockholders of voting control of the Corporation, (B) the merger, consolidation or reorganization with or into any other corporation, entity or person or any other corporate reorganization, in which (I) the capital stock of the Corporation immediately prior to such merger, consolidation or reorganization represents less than 50% of the voting power of the surviving entity (or, if the surviving entity is a wholly owned subsidiary, its parent) immediately after such merger, consolidation or reorganization or (II) the surviving entity (or, if the surviving entity is a wholly owned subsidiary, its parent) has a class of securities that is (or has been within 90 days prior to such transaction) tradeable on any public market or exchange or (C) the sale, exclusive license or other disposition of all or substantially all of the assets or intellectual property of the Corporation in a single transaction or series of related transactions. Notwithstanding the foregoing and for purposes of clarification, the term "Event of Sale" shall not include any transaction involving the Corporation and the Shell Company Successor that is described in clause (iii) of the Shell Company Successor definition set forth below. "Shell Company Successor" means a shell company that (i) has securities registered under the Securities Exchange Act of 1934, as amended, (ii) has nominal operations and nominal assets (prior to any of the transactions described in clause (iii)) and (iii) directly or indirectly through one or more direct or indirect subsidiaries acquires the Corporation and/or all or substantially all of its assets or business (whether pursuant to a stock purchase, an asset purchase, a merger or any other similar transaction), and in consideration for such acquisition issues to the former stockholders of the Corporation shares of capital stock of such shell company.

6. Voting.

(a) Subject to any separate voting rights provided for herein or otherwise required by law, the holders of New Preferred Stock shall be entitled to vote, together with the holders of Common Stock as one class, on all matters as to which holders of Common Stock shall be entitled to vote, in the same manner and with the same effect as such holders of Common Stock. In any such vote, each share of

New Preferred Stock shall entitle the holder thereof to the number of votes per share that equals the number of shares of Common Stock (including fractional shares) into which each such share of New Preferred Stock is then convertible, rounded up to the nearest one-tenth of a share, but not including any shares of Common Stock issuable upon conversion of any dividends accrued on such New Preferred Stock.

(b) In addition to the rights specified in Section B.6(a):

(i) for so long as any shares of Series A-1 Stock are outstanding, the holders of a majority of the shares of Series A-1 Stock outstanding, voting as a separate class, shall have the right to elect two (2) members of the Board of Directors of the Corporation; and

(ii) Oxford Bioscience Partners IV L.P. (including for this purpose, members of the Oxford/Saints Group (as defined in the Stockholders' Agreement), HealthCare Ventures or Wellcome Trust (collectively, the "G3 Holders") voting as a separate class shall have the right to elect one (1) member of the Board of Directors of the Corporation by majority vote of the shares of Series A-1 Stock held by them; provided, however, that in order to be eligible to vote or consent with respect to the election of such member of the Board of Directors, a G3 Holder together with members of such G3 Holders' Group (as defined in the Stockholders' Agreement) must hold greater than twenty percent (20%) of the shares of Series A-1 Stock purchased under the Series A-1 Stock Purchase Agreement by such G3 Holder and the members of such G3 Holders' Group; and

(iii) MPM Capital L.P., voting as a separate class, shall have the right to elect one (1) member of the Board of Directors of the Corporation by majority vote of the shares of Series A-1 Stock held by MPM Capital L.P.; provided that such member of the Board of Directors shall be an individual with particular expertise in the development of pharmaceutical products; and, provided, further, that in order to be eligible to vote or consent with respect to the election of such member of the Board of Directors, MPM Capital L.P. together with members of the MPM Group (as defined in the Stockholders' Agreement) must hold greater than twenty percent (20%) of the shares of Series A-1 Stock purchased under the Series A-1 Stock Purchase Agreement by MPM Capital L.P. and the members of the MPM Group.

(iv) The members of the Board of Directors elected by the Series A-1 Stockholders, the G3 Holders and MPM Capital L.P. pursuant to this Section B.6(b) are referred to herein as the "New Preferred Directors".

(c) In any election of New Preferred Directors pursuant to Section B.6(b), each holder of New Preferred Stock eligible to participate in the election of New Preferred Directors shall be entitled to one vote for each share of Common Stock (including fractional shares) into which each such share of New Preferred Stock held by such holder is then convertible, rounded up to the nearest one-tenth of a share (determined as set forth in the second sentence of Section B.6(a) hereof), and no holder of New Preferred Stock shall be entitled to cumulate its votes by giving one candidate more than one vote per share. The voting right of the Series A-1 Stockholders, the G3 Holders and the MPM Holder contained in Section B.6(b), may be exercised at a special meeting of the applicable holders of New Preferred Stock called as provided in accordance with the by-laws of the Corporation, at any annual or special meeting of the stockholders of the Corporation, or by written consent of such applicable holders of New Preferred Stock in lieu of a meeting. The New Preferred Directors elected pursuant to Section B.6(b) shall serve from the date of their election and qualification until their successors have been duly elected and qualified. The number of directors constituting the entire membership of the Board of Directors of the Corporation shall be set by the Board of Directors pursuant to the By-Laws of the Corporation.

(d) A vacancy in the directorships elected by the Series A-1 Stockholders, the G3 Holders or the MPM Holder pursuant to Section B.6(b), may be filled by a vote at a meeting called in accordance with the by-laws of the Corporation or written consent in lieu of such meeting of the applicable holders of New Preferred Stock, respectively or by the remaining directors as provided in the by-laws of the Corporation.

(e) The holders of capital stock of the corporation, voting as a single class, shall elect the remaining member or members of the Board of Directors of the Corporation. In any election of directors pursuant to this Section B.6(e), each stockholder shall be entitled to

one vote for each share of Common Stock held or, if New Preferred Stock, into which each such share of New Preferred Stock is then convertible (determined in accordance with Section B.6(a) hereof), and no stockholder shall be entitled to cumulate its votes by giving one candidate more than one vote per share. The voting right of the stockholders contained in this Section B.6(e) may be exercised at a special meeting of the stockholders called as provided in accordance with the by-laws of the Corporation, at any annual or special meeting of the stockholders of the Corporation, or by written consent of the stockholder in lieu of a meeting. The director or directors elected pursuant to this Section B.6(e) shall serve from the date of their election and qualification until their successors have been duly elected and qualified.

(f) A vacancy in the directorship or directorships elected by the stockholders pursuant to Section B.6(e), may be filled by a vote at a meeting called in accordance with the by-laws of the Corporation or written consent in lieu of such meeting of the stockholders of the Corporation or by the remaining directors as provided in the by-laws of the Corporation.

(g) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of the New Senior Majority acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each Series A-1 Stockholder, Series A-2 Stockholder and Series A-3 Stockholder to do the following:

(i) authorize, create, designate, issue or sell any class or series of capital stock (including any shares of treasury stock) or rights, options, warrants or other securities convertible into or exercisable or exchangeable for capital stock which by its terms is convertible into or exchangeable for any equity security, other then Excluded Stock, which, as to the payment of dividends or distribution of assets, including without limitation distributions to be made upon a Liquidation, is senior to or on a parity with the Series A-1 Stock; or

(ii) amend, alter or repeal any provision of this Certificate; or

(iii) permit, approve or agree to any Liquidation, Event of Sale, dissolution or winding up of the Corporation.

The foregoing approval shall be obtained in addition to any approval required by law.

(h) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of holders of a majority of the then outstanding shares of Series A-1 Stock, acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or

by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each holder of such Series A-1 Stock, amend, alter or repeal any provision of this Certificate if such amendment, alteration or repeal would (i) alter or change the rights, preferences or privileges of the Series A-1 Stock in a manner that materially adversely affects the Series A-1 Stock and such amendment does not change or alter the comparable rights, preferences or privileges of any other series of New Preferred Stock in a manner that materially adversely affects such other series of New Preferred Stock or (ii) increases or decreases the authorized number of shares of Series A-1 Stock. The foregoing approval shall be obtained in addition to any approval required by law. For purposes of clarification, the creation, authorization or issuance of any new class or series of capital stock of the Corporation having rights, preferences or privileges senior to or on a parity with the Series A-1 Stock (and any amendment to the certificate of incorporation of the Company for purposes of creating or authorizing such new class or series of capital stock) shall not be deemed or treated as materially adversely affecting the Series A-1 Stock.

(i) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of holders of a majority of the then outstanding shares of Series A-2 Stock, acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each holder of such Series A-2 Stock, amend, alter or repeal any provision of this Certificate if such amendment, alteration or repeal would (i) alter or change the rights, preferences or privileges of the Series A-2 Stock in a manner that materially adversely affects the Series A-2 Stock and such amendment does not change or alter the comparable rights, preferences or privileges of any other series of New Preferred Stock in a manner that materially adversely affects such other series of New Preferred Stock or (ii) increases or decreases the authorized number of shares of Series A-2 Stock. The foregoing approval shall be obtained in addition to any approval required by law. For purposes of clarification, the creation, authorization or issuance of any new class or series of capital stock of the Corporation having rights, preferences or privileges senior to or on a parity with the Series A-2 Stock (and any amendment to the certificate of incorporation of the Company for purposes of creating or authorizing such new class or series of capital stock) shall not be deemed or treated as materially adversely affecting the Series A-2 Stock.

(j) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of holders of a majority of the then outstanding shares of Series A-3 Stock, acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each holder of such Series A-3 Stock, amend, alter or repeal any provision of this Certificate if such amendment, alteration or repeal would (i) alter or change the rights, preferences or privileges of the Series A-3 Stock in a manner that materially adversely affects the Series A-3 Stock and such amendment does not change or alter the comparable rights, preferences or privileges of any other series of New Preferred Stock in a manner that materially adversely affects such other series of New Preferred Stock or (ii) increases or decreases the authorized number of shares of Series A-3 Stock. The foregoing approval shall be obtained in addition to any approval required by law. For purposes of clarification, the creation, authorization or issuance of any new class or series of capital stock of the Corporation having rights, preferences or privileges senior to or on a parity with the Series A-3 Stock (and any amendment to the certificate of incorporation of the Company for purposes of creating or authorizing such new class or series of capital stock) shall not be deemed or treated as materially adversely affecting the Series A-3 Stock.

(k) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of holders of a majority of the then outstanding shares of Series A-4 Stock, acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each holder of such Series A-4 Stock, amend, alter or repeal any provision of this Certificate if such amendment, alteration or repeal would (i) alter or change the rights, preferences or privileges of the Series A-4 Stock in a manner that materially adversely affects the Series A-4 Stock and such amendment does not change or alter the comparable rights, preferences or privileges of any other series of New Preferred Stock in a manner that materially adversely affects such other series of New Preferred Stock or (ii) increases or decreases the authorized number of shares of Series A-4 Stock. The foregoing approval shall be obtained in addition to any approval required by law. For purposes of clarification, the creation, authorization or issuance of any new class or series of capital stock of the Corporation having rights, preferences or privileges senior to or on a parity with the Series A-4 Stock (and any amendment to the certificate of incorporation of the Company for purposes of creating or authorizing such new class or series of capital stock) shall not be deemed or treated as materially adversely affecting the Series A-4 Stock.

(l) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of holders of a majority of the then outstanding shares of Series A-5 Stock, acting separately from the holders of

Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each holder of such Series A-5 Stock, amend, alter or repeal any provision of this Certificate if such amendment, alteration or repeal would (i) alter or change the rights, preferences or privileges of the Series A-5 Stock in a manner that materially adversely affects the Series A-5 Stock and such amendment does not change or alter the comparable rights, preferences or privileges of any other series of New Preferred Stock in a manner that materially adversely affects such other series of New Preferred Stock or (ii) increases or decreases the authorized number of shares of Series A-5 Stock. The foregoing approval shall be obtained in addition to any approval required by law. For purposes of clarification, the creation, authorization or issuance of any new class or series of capital stock of the Corporation having rights, preferences or privileges senior to or on a parity with the Series A-5 Stock (and any amendment to the certificate of incorporation of the Company for purposes of creating or authorizing such new class or series of capital stock) shall not be deemed or treated as materially adversely affecting the Series A-5 Stock.

(m) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of holders of a majority of the then outstanding shares of Series A-6 Stock, acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each holder of such Series A-6 Stock, amend, alter or repeal any provision of this Certificate if such amendment, alteration or repeal would (i) alter or change the rights, preferences or privileges of the Series A-6 Stock in a manner that materially adversely affects the Series A-6 Stock and such amendment does not change or alter the comparable rights, preferences or privileges of any other series of New Preferred Stock in a manner that materially adversely affects such other series of New Preferred Stock or (ii) increases or decreases the authorized number of shares of Series A-6 Stock. The foregoing approval shall be obtained in

addition to any approval required by law. For purposes of clarification, the creation, authorization or issuance of any new class or series of capital stock of the Corporation having rights, preferences or privileges senior to or on a parity with the Series A-6 Stock (and any amendment to the certificate of incorporation of the Company for purposes of creating or authorizing such new class or series of capital stock) shall not be deemed or treated as materially adversely affecting the Series A-6 Stock.

(n) The Corporation shall obtain the consent of the Board of Directors before it may authorize or issue any additional shares of capital stock of the Corporation or any of its subsidiaries.

7. Conversion.

(a) Any New Preferred Stockholder shall have the right, at any time or from time to time, to convert any or all of its shares of New Preferred Stock into that number of fully paid and nonassessable shares of Common Stock for each share of New Preferred Stock so converted equal to the quotient of the Series A-1 Original Purchase Price, Series A-2 Original Purchase Price, Series A-3 Original Purchase Price, Series A-4 Original Purchase Price, Series A-6 Original Purchase Price or Series A-6 Original Purchase Price, as applicable, for such share divided by the Series A-1 Conversion Price, the Series A-2 Conversion Price, Series A-3 Conversion Price, Series A-4 Conversion Price, Series A-5 Conversion Price or the Series A-6 Conversion Price (each as defined in Section B.7(e)(i) hereof), as applicable, for such share of New Preferred Stock, as last adjusted and then in effect, rounded up to the nearest one-tenth of a share; provided, however, that cash shall be paid in lieu of the issuance of fractional shares of Common Stock, as provided in Section B.7(d) hereof.

(b) (i) Any New Preferred Stockholder who exercises the right to convert shares of New Preferred Stock into shares of Common Stock pursuant to this Section B.7 shall be entitled to payment of all accrued dividends, whether or not declared and all declared but unpaid dividends payable with respect to such New Preferred Stock pursuant to Section B.3 herein, up to and including the Conversion Date (as defined in Section B.7(b)(iii) hereof).

(ii) Any New Preferred Stockholder may exercise the right to convert such shares into Common Stock pursuant to this Section B.7 by delivering to the Corporation during regular business hours, at the office of the Corporation or any transfer agent of the Corporation or at such other place as may be designated by the Corporation, the certificate or certificates for the shares to be converted (the "New Preferred Certificate"), duly endorsed or assigned in blank to the Corporation (if required by it) or an affidavit of loss as to the same.

(iii) Each New Preferred Certificate shall be accompanied by written notice stating that such holder elects to convert such shares and stating the name or names (with address) in which the certificate or certificates for the shares of Common Stock (the "Common Certificate") are to be issued. Such conversion shall be deemed to have been effected on the date when such delivery is made, and such date is referred to herein as the "Conversion Date."

(iv) As promptly as practicable thereafter, the Corporation shall issue and deliver to or upon the written order of such holder, at the place designated by such holder, (A) a Common Certificate for the number of full shares of Common Stock to which such holder is entitled and (B) a check or cash in respect of any fractional interest in shares of Common Stock to which such holder is entitled, as provided in Section B.7(d) hereof, payable with respect to the shares so converted up to and including the Conversion Date.

(v) The person in whose name the Common Certificate or Certificates are to be issued shall be deemed to have become a holder of record of Common Stock on the applicable

Conversion Date, unless the transfer books of the Corporation are closed on such Conversion Date, in which event the holder shall be deemed to have become the stockholder of record on the next succeeding date on which the transfer books are open, provided that the Series A-1 Conversion Price, the Series A-2 Conversion Price, Series A-3 Conversion Price, Series A-4 Conversion Price, the Series A-5 Conversion Price or the Series A-6 Conversion Price, as applicable, upon which the conversion shall be executed shall be that in effect on the Conversion Date.

(vi) Upon conversion of only a portion of the number of shares covered by a New Preferred Certificate, the Corporation shall issue and deliver to or upon the written order of the holder of such New Preferred Certificate, at the expense of the Corporation, a new certificate covering the number of shares of New Preferred Stock representing the unconverted portion of the New Preferred Certificate, which new certificate shall entitle the holder thereof to all the rights, powers and privileges of a holder of such New Preferred Stock.

(c) If a New Preferred Stockholder shall surrender more than one share of the same class of New Preferred Stock for conversion at any one time, then the number of full shares of Common Stock issuable upon conversion thereof shall be computed on the basis of the aggregate number of shares of New Preferred Stock so surrendered.

(d) No fractional shares of Common Stock shall be issued upon conversion of New Preferred Stock. The Corporation shall instead pay a cash adjustment for any such fractional interest in an amount equal to the Current Market Price thereof on the Conversion Date, as determined in accordance with Section B.7(e)(vi) hereof.

(e) For all purposes of this Article III, Part B, the initial conversion price of the Series A-1 Stock shall be the Series A-1 Original Purchase Price, the initial conversion price of the Series A-2 Stock shall be the Series A-2 Original Purchase Price, the initial conversion price of the Series A-3 Stock shall be the Series A-3 Original Purchase Price, the initial conversion price of the Series A-4 Stock shall be the Series A-4 Original Purchase Price, the initial conversion price of the Series A-5 Stock shall be the Series A-5 Original Purchase Price, and the initial conversion price of the Series A-6 Stock shall be the Series A-6 Original Purchase Price, in each case subject to adjustment from time to time as follows (the conversion price of any or each of the Series A-1 Stock, the Series A-2 Stock, the Series A-3 Stock, the Series A-4 Stock, the Series A-5 Stock and the Series A-6 Stock is sometimes referred to generically in this Section B.7 as the "Conversion Price"):

(i) Subject to Section B.7(e)(ii) and B.7(e)(x) below, if the Corporation shall, at any time or from time to time after the Series A-1 Original Issuance Date, issue or sell any shares of Common Stock (which term, for purposes of this Section B.7(e)(i), including all subsections thereof, shall be deemed to include all other securities convertible into, or exchangeable or exercisable for, shares of Common Stock (including, but not limited to, Preferred Stock) or options to purchase or other rights to subscribe for such convertible or exchangeable securities, in each case other than Excluded Stock (as defined in Section B.7(e)(ii) below), for a consideration per share less than the Series A-1 Conversion Price in effect immediately prior to the issuance of such Common Stock or other securities (a "New Dilutive Issuance"), then (X) the Conversion Price of the Series A-1 Stock (the "Series A-1 Conversion Price") in effect immediately prior to each such New Dilutive Issuance shall automatically be reduced to a price equal to the product obtained by multiplying such Series A-1 Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for the additional stock so issued would purchase at

such Series A-1 Conversion Price as in effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of additional stock so issued, (Y) the Conversion Price for the Series A-2 Stock (the "Series A-2 Conversion Price") in effect immediately prior to each such New Dilutive Issuance shall automatically be reduced to a price equal to the product obtained by multiplying such Series A-2 Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for the additional stock so issued would purchase at such Series A-2 Conversion Price as in effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of additional stock so issued, and (Z) the Conversion Price for the Series A-3 Stock (the "Series A-3 Conversion Price") in effect immediately prior to each such New Dilutive Issuance shall automatically be reduced to a price equal to the product obtained by multiplying such Series A-3 Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for the additional stock so issued would purchase at such Series A-3 Conversion Price as in effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of additional stock so issued. For purposes of this Section B.7(e)(i), the number of shares of Common Stock deemed issuable upon conversion of such outstanding shares of Existing Preferred Stock shall be determined without giving effect to any adjustments to the applicable Conversion Price resulting from the New Dilutive Issuance that is the subject of this calculation. For purposes of Part B of this Certificate, the term "Series A-4 Conversion Price" shall mean the Conversion Price of the Series A-4 Stock, the term "Series A-5 Conversion Price" shall mean the Conversion Price of the Series A-5 Stock and the term "Series A-6 Conversion Price" shall mean the Conversion Price of the Series A-6 Stock. For the purposes of any adjustment of the Conversion Price pursuant to this Section B.7(e)(i), the following provisions shall be applicable.

a. In the case of the issuance of Common Stock in whole or in part for cash, the consideration shall be deemed to be the amount of cash paid therefor after deducting therefrom any discounts, commissions or other expenses allowed, paid or incurred by the Corporation for any underwriting or otherwise in connection with the issuance and sale thereof, plus the value of any property other than cash received by the Corporation, determined as provided in Section B.7(e)(i)(b) hereof, plus the value of any other consideration received by the Corporation determined as set forth in Section B.7(e)(i)(c) hereof.

b. In the case of the issuance of Common Stock for a consideration in whole or in part in property other than cash, the value of such property other than cash shall be deemed to be the fair market value of such property as determined in good faith by the Board of

Directors, irrespective of any accounting treatment; provided, however, that such fair market value of such property as determined by the Board of Directors shall not exceed the aggregate Current Market Price (as defined in Section B.7(e)(viii) hereof) of the shares of Common Stock or such other securities being issued, less any cash consideration paid for such shares, determined as provided in Section B.7(e)(i)(a) hereof and less any other consideration received by the Corporation for such shares, determined as set forth in Section B.7(e)(i)(c) hereof.

c. In the case of the issuance of Common Stock for consideration in whole or in part other than cash or property, the value of such other consideration shall be deemed to be the aggregate par value of such Common Stock (or the aggregate stated value if such Common Stock has no par value).

d. In the case of the issuance of options or other rights to purchase or subscribe for Common Stock or the issuance of securities by their terms convertible into or exchangeable or exercisable for Common Stock or options to purchase or other rights to subscribe for such convertible or exchangeable or exercisable securities:

i. the aggregate maximum number of shares of Common Stock deliverable upon exercise of such options to purchase or rights to subscribe for Common Stock shall be deemed to have been issued at the time such options or rights were issued and for a consideration equal to the consideration (determined in the manner provided in Sections B.7(e)(i)(a), (b) and (c) hereof), if any, received by the Corporation upon the issuance of such options or rights plus the minimum purchase price provided in such options or rights for the Common Stock covered thereby (the consideration in each case to be determined in the manner provided in Sections B.7(e)(i)(a), (b) and (c) hereof);

ii. the aggregate maximum number of shares of Common Stock deliverable upon conversion of, or in exchange for, any such convertible or exchangeable securities or upon the exercise of options to purchase or rights to subscribe for such convertible or exchangeable securities and subsequent conversion or exchange thereof shall be deemed to have been issued at the time such securities were issued or such options or rights were issued and for a consideration equal to the consideration received by the Corporation for any such securities and related options or rights (excluding any cash received on account of accrued interest or accrued dividends), plus the minimum additional consideration, if any, to be received by the Corporation upon the conversion or exchange of such securities or the exercise of any related options or rights (the consideration in each case to be determined in the manner provided in Sections B.7(e)(i)(a), (b) and (c) hereof);

iii. if there is any change (whether automatic pursuant to the terms contained therein or as a result of the amendment of such terms) in the exercise price of, or number of shares deliverable upon exercise of, any such options or rights or upon the conversion or exchange of any such convertible or exchangeable securities (other than a change resulting from the original antidilution provisions thereof in place at the time of issuance of such security), then the applicable Conversion Price shall automatically be readjusted in proportion to such change (notwithstanding the foregoing, no adjustment pursuant to this clause shall have the effect of increasing the applicable Conversion Price to an amount which exceeds the lower of (i) the applicable Conversion Price on the original adjustment date, or (ii) the applicable Conversion Price that would have resulted from any Dilutive Issuances between the original adjustment date and such readjustment date);

iv. upon the expiration of any such options or rights or the termination of any such rights to convert or exchange such convertible or exchangeable securities (or in the event that the change that precipitated an adjustment pursuant to Section

B.7(e)(i)(d)(iii) hereof is reversed or terminated, or expires), then the applicable Conversion Price shall be automatically readjusted to the applicable Conversion Price that would have been obtained had such options, rights or convertible or exchangeable securities not been issued; and

v. if the terms of any option or convertible security (excluding options or convertible securities which, upon exercise, conversion or exchange thereof, would entitle the holder thereof to receive shares of Common Stock which are Excluded Stock), the issuance of which was not a New Dilutive Issuance, are revised after the Series A-1 Original Issuance Date (either automatically pursuant the provisions contained therein or as a result of an amendment to such terms) to provide for either (1) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such option or convertible security or (2) any decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such option or convertible security, as so amended, and the shares of Common Stock subject thereto shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(ii) "Excluded Stock" shall mean:

a. Common Stock issued upon conversion of any shares of Preferred Stock, including any shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock;

b. Common Stock issued or issuable to officers, directors or employees of or consultants or independent contractors to the Corporation, pursuant to any written agreement, plan or arrangement to purchase, or rights to subscribe for, such Common Stock, including Common Stock issued under the Corporation' s 2003 Long-Term Incentive Plan, as amended, or other equity incentive plan or other agreements that have been approved in form and in substance by the New Senior Majority, calculated in accordance with Section B.6(a) of Article III herein (including, in such calculation, any outstanding restricted stock awards held by such holders), and which, as a condition precedent to the issuance of such shares, provide for the vesting of such shares and subject such shares to restrictions on transfer and rights of first offer in favor of the Corporation, and restricted stock grants to directors, employees or consultants as approved by the Board of Directors of the Corporation; provided, however, that the maximum number of shares of Common Stock heretofore or hereafter issuable pursuant to the Corporation' s 2003 Long-Term Incentive Plan, as amended, and all such agreements, plans and arrangements shall not exceed 2,015,666 shares of Common Stock;

c. Common Stock issued as a stock dividend or distribution on the Preferred Stock payable in shares of Common Stock, or capital stock of any other class issuable upon any subdivision, recombination, split-up or reverse stock split of all the outstanding shares of such class of capital stock;

d. Common Stock or other securities issued or issuable to banks, lenders or landlords, provided that each such issuance is approved by the Board of Directors, including, but not limited to, warrants to acquire Common Stock held by Silicon Valley Bank (or its affiliates, successors and assignees), warrants to purchase Preferred Stock issued or to be issued to GE Healthcare Financial Services, Inc. ("GEHFS") and Oxford Finance Corporation ("OFC") pursuant to a proposed debt financing approved by the Board of Directors (the "GE Financing"), shares of Preferred Stock issued or issuable to GE in connection with the GE Financing or upon exercise by GEHFS or OFC of warrants issued in the GE Financing and shares of common stock issuable upon conversion of any such shares of Preferred Stock issued to GEHFS or OFC pursuant to the GE Financing;

e. Common Stock or other securities issued or issuable to third parties in connection with strategic partnerships or alliances, corporate partnerships, joint ventures or other licensing transactions, provided that each such transaction and related issuance is approved by the Board of Directors, including, but not limited to, (A) any shares of Preferred Stock or Common Stock issued or issuable to Ipsen Pharma SAS ("Ipsen"), pursuant to the terms of that certain License Agreement, as amended and may be amended with the approval of the Board of Directors of the Corporation and in effect from time to time, by and between the

Corporation and Ipsen as payment for milestones in lieu of cash payments and (B) shares of Series A-5 Stock issued or issuable pursuant to that certain Stock Issuance Agreement as of March 29, 2011 by and between the Corporation and Nordic Bioscience and the letter agreement as of March 29, 2011 by and between the Corporation and Nordic Bioscience, pursuant to which the Corporation will issue shares of the Corporation' s Series A-5 Convertible Preferred Stock, $0.01 par value per share and the issuance of Series A-6 Stock issued or to be issued as dividends on such Series A-5 Stock, and shares of Common Stock issuable upon conversion of any such shares of Series A-5 Stock and Series A-6 Stock;

f. Common Stock or other securities issued or issuable pursuant to the acquisition by the Corporation of any other corporation, partnership, joint venture, trust or other entity by any merger, stock acquisition, reorganization, or purchase of substantially all assets or otherwise in which the Corporation or its stockholders of record immediately prior to the effective date of such transaction, directly or indirectly, own at least a majority of the voting power of the acquired entity or the resulting entity after such transaction, in each case so long as approved by the Board of Directors;

g. Common Stock or other securities, the issuance of which is approved by the New Senior Majority, with such approval expressly waiving the application of the anti-dilution provisions of this Section B.7 as a result of such issuance;

h. Preferred Stock or Common Stock issued or issuable pursuant to any warrant outstanding as of the date hereof or any warrant and any shares of Preferred Stock or common stock, or common stock issued upon exercise of any Preferred Stock, issued in connection with the Qualified Financing, including, but not limited to a warrant for shares of Series A-1 Preferred Stock issued or issuable to Leerink Swan, any shares of Preferred Stock or Common Stock upon exercise thereof and any Common Stock issuable upon conversion of such Preferred Stock issued upon exercise thereof; and

i. All shares of New Preferred Stock and Common stock issued in connection with the Qualified Financing as provided in this Certificate and the Series A-1 Purchaser Agreement, and all shares of Common Stock issued or issuable upon conversion of any such shares of New Preferred Stock.

(iii) If the number of shares of Common Stock outstanding at any time after the Series A-1 Original Issuance Date (as defined in Section B.8) is increased by a stock dividend payable in shares of Common Stock or by a subdivision or split-up of shares of Common Stock, then, following the record date fixed for the determination of holders of Common Stock entitled to receive such stock dividend, subdivision or split-up, the applicable Conversion Price shall be appropriately decreased in the form of a Proportional Adjustment (as defined in Section B.8) so that the number of shares of Common Stock issuable on conversion of each share of New Preferred Stock shall be increased in proportion to such increase in outstanding shares.

(iv) If the number of shares of Common Stock outstanding at any time after the Series A-1 Original Issuance Date is decreased by a combination of the outstanding shares of Common Stock

(other than pursuant to the Reverse Split), then, following the record date for such combination, the applicable Conversion Price shall be appropriately increased in the form of a Proportional Adjustment so that the number of shares of Common Stock issuable on conversion of each share of New Preferred Stock shall be decreased in proportion to such decrease in outstanding shares.

(v) Except as otherwise contemplated in the Series A-1 Purchase Agreement, if at any time after the Series A-1 Original Issuance Date, the Corporation shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation (other than shares of Common Stock) or in cash or other property, then and in each such event provision shall be made so that the holders of the New Preferred Stock shall receive upon conversion thereof in addition to the number of shares of Common Stock receivable thereupon, the kind and amount of securities of the Corporation, cash or other property which they would have been entitled to receive had the New Preferred Stock been converted into Common Stock on the date of such event and had they thereafter, during the period from the date of such event to and including the conversion date, retained such

securities receivable by them as aforesaid during such period, giving application to all adjustments called for during such period under this paragraph with respect to the rights of the holders of the New Preferred Stock; and provided further, however, that no such adjustment shall be made if the holders of New Preferred Stock simultaneously receive a dividend or other distribution of such securities, cash, or other property in an amount equal to the amount of such securities, cash, or other property as they would have received if all outstanding shares of New Preferred Stock had been converted into Common Stock on the date of such event.

(vi) Subject to the provisions of Section B.4(i) above, in the event, at any time after the Series A-1 Original Issuance Date, of any capital reorganization, or any reclassification of the capital stock of the Corporation (other than pursuant to the Reverse Split, other than as contemplated under this Certificate and the Series A-1 Purchase Agreement and other than a change in par value or from par value to no par value or from no par value to par value or as a result of a stock dividend or subdivision, split-up or combination of shares), or the consolidation or merger of the Corporation with or into another person (other than pursuant to the Merger Agreement and other than a consolidation or merger in which the Corporation is the continuing corporation and which does not result in any change in the powers, designations, preferences and rights, or the qualifications, limitations or restrictions, if any, of the capital stock of the Corporation) or of the sale or other disposition of all or substantially all the properties and assets of the Corporation in their entirety to any other person (any such transaction, an "Extraordinary Transaction"), then the Corporation shall provide appropriate adjustment in the form of a Proportional Adjustment to the applicable Conversion Price with respect to each share of New Preferred Stock outstanding after the effectiveness of such Extraordinary Transaction such that each share of New Preferred Stock outstanding immediately prior to the effectiveness of the Extraordinary Transaction shall be convertible into the kind and number of shares of stock or other securities or property of the Corporation, or of the corporation resulting from or surviving such Extraordinary Transaction, that a holder of the number of shares of Common Stock deliverable (immediately prior to the effectiveness of the Extraordinary Transaction) upon conversion of such share of New Preferred Stock would have been entitled to receive upon such Extraordinary Transaction. The provisions of this Section B.7(e)(vi) shall similarly apply to successive Extraordinary Transactions.

(vii) All calculations under this Section B.7(e) shall be made to the nearest one-tenth of a cent ($.001) or to the nearest one-tenth of a share, as the case may be.

(viii) For the purpose of any computation pursuant to Section B.7(d), Section B.3(a) hereof or this Section B.7(e), the "Current Market Price" at any date of one share of Common Stock shall be defined as the average of the daily closing prices for the 20 consecutive Business Days ending on the fifth (5th) Business Day before the day in question (as adjusted for any stock dividend, split-up,

combination or reclassification that took effect during such 20 Business Day period), determined as follows:

a. If the Common Stock is listed or admitted for trading on a national securities exchange, then the closing price for each day shall be the last reported sales price regular way or, in case no such reported sales took place on such day, the average of the last reported bid and asked prices regular way, in either case on the principal national securities exchange on which the Common Stock is listed or admitted to trading.

b. If the Common Stock is not at the time listed or admitted for trading on any such exchange, then such price shall be equal to the last reported bid and asked prices on such day as reported by the NASD OTCBB or the National Quotation Bureau, Inc., or any similar reputable quotation and reporting service if such quotation is not reported by the NASD OTCBB or the National Quotation Bureau, Inc.

c. If the Common Stock is not traded in such manner that the quotations referred to in this Section B.7(d)(viii) are available for the period required hereunder, then the Current Market Price shall be the fair market value of such share, as determined in good faith by a majority of the entire Board of Directors.

(ix) In any case in which the provisions of this Section B.7(e) shall require that an adjustment shall become effective immediately after a record date for an event, the Corporation may defer until the occurrence of such event (A) issuing to the holder of any

shares of New Preferred Stock converted after such record date and before the occurrence of such event the additional shares of capital stock issuable upon such conversion by reason of the adjustment required by such event over and above the shares of capital stock issuable upon such conversion before giving effect to such adjustment, and (B) paying to such holder any cash amounts in lieu of fractional shares pursuant to Section B.7(d) hereof; provided, however, that the Corporation shall deliver to such holder a due bill or other appropriate instrument evidencing such holder' s right to receive such additional shares and such cash upon the occurrence of the event requiring such adjustment.

(x) If a state of facts shall occur that, without being specifically controlled by the provisions of this Section B.7, would not fairly protect the conversion rights of the holders of the New Preferred Stock in accordance with the essential intent and principles of such provisions, then the Board of Directors shall make an adjustment in the application of such provisions, in accordance with such essential intent and principles, so as to protect such conversion rights.

(f) Whenever the applicable Conversion Price shall be adjusted as provided in Section B.7(e) hereof, the Corporation shall forthwith file and keep on record at the office of the Secretary of the Corporation and at the office of its transfer agent or at such other place as may be designated by the Corporation, a statement, signed by both its President or Chief Executive Officer and its Treasurer or Chief Financial Officer, showing in detail the facts requiring such adjustment and the applicable Conversion Price that shall be in effect after such adjustment. The Corporation shall also cause a copy of such statement to be sent by first-class, certified mail, return receipt requested, postage prepaid, to each New Preferred Stockholder at such holder' s address appearing on the Corporation' s records. Where appropriate, such copy shall be given in advance of any such adjustment and shall be included as part of a notice required to be mailed under the provisions of Section B.7(g) hereof.

(g) In the event the Corporation shall propose to take any action of the types described in Section B.7(e)(i), (iii), (iv) or (v) hereof, or any other Event of Sale, other then the transactions contemplated by the Series A-1 Purchase Agreement and the Merger Agreement, the Corporation shall give

notice to each New Preferred Stockholder in the manner set forth in Section B.7(f) hereof, which notice shall specify the record date, if any, with respect to any such action and the date on which such action is to take place. Such notice shall also set forth such facts with respect thereto as shall be reasonably necessary to indicate the effect of such action (to the extent such effect may be known at the date of such notice) on the applicable Conversion Price with respect to the New Preferred Stock, and the number, kind or class of shares or other securities or property which shall be deliverable or purchasable upon each conversion of New Preferred Stock. In the case of any action (other than any action contemplated or required by the Series A-1 Purchase Agreement or Merger Agreement) that would require the fixing of a record date, such notice shall be given at least 20 days prior to the record date so fixed, and in the case of any other action, such notice shall be given at least 30 days prior to the taking of such proposed action.

(h) The Corporation shall pay all documentary, stamp or other transactional taxes attributable to the issuance or delivery of shares of capital stock of the Corporation upon conversion of any shares of New Preferred Stock; provided, however, that the Corporation shall not be required to pay any taxes which may be payable in respect of any transfer involved in the issuance or delivery of any certificate for such shares in a name other than that of the New Preferred Stockholder in respect of which such shares of New Preferred Stock are being issued.

(i) The Corporation shall reserve out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the New Preferred Stock, sufficient shares of Common Stock to provide for the conversion of all outstanding shares of New Preferred Stock.

(j) All shares of Common Stock which may be issued in connection with the conversion provisions set forth herein will, upon issuance by the Corporation, be validly issued, fully paid and nonassessable, not subject to any preemptive or similar rights, and free from all taxes, liens or charges with respect thereto created or imposed by the Corporation.

8. Definitions. As used in this Part B of Article III of this Certificate, the following terms shall have the corresponding meanings:

"Business Day" shall mean any day other than a Saturday, Sunday or day on which banks are closed in the city and state where the principal executive office of the Corporation is located.

"Series A-1 Original Issuance Date" shall mean the date of issuance by the Corporation of the first share of Series A-1 Stock to be issued by the Corporation.

"Series A-1 Original Purchase Price" shall mean, with respect to the Series A-1 Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section B.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series A-2 Original Purchase Price" shall mean, with respect to the Series A-2 Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section B.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series A-3 Original Purchase Price" shall mean, with respect to the Series A-3 Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section B.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series A-4 Original Purchase Price" shall mean, with respect to the Series A-4 Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section B.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series A-5 Original Purchase Price" shall mean, with respect to the Series A-5 Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section B.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series A-6 Original Purchase Price" shall mean, with respect to the Series A-6 Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section B.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Proportional Adjustment" shall mean an adjustment made to the price of the Preferred Stock upon the occurrence of a stock split, reverse stock split, stock dividend, stock combination reclassification or other similar change with respect to such security, such that the price of one share of the New Preferred Stock before the occurrence of any such change shall equal the aggregate price of the share (or shares or fractional share) of such security (or any other security) received by the holder of the New Preferred Stock with respect thereto upon the effectiveness of such change. Notwithstanding the foregoing, the Reverse Split shall not trigger or give rise to any Proportional Adjustment.

9. Forced Conversion and Forfeiture Upon Failure to Perform Future Funding Obligations Pursuant to the Series A-1 Purchase Agreement.

(a) Trigger Event. In the event that an Investor (as defined in the Series A-1 Purchase Agreement) does not timely and completely fulfill his, her or its Future Funding Obligations (as defined in the Series A-1 Purchase Agreement) in the Qualified Financing pursuant to the terms of Series A-1 Purchase Agreement, then (i) all shares of New Preferred Stock then held by such Investor shall automatically, and without any further action on the part of such Investor, be converted into shares of Common Stock at a rate of 1 share of Common Stock for every 10 shares of New Preferred Stock to be so converted and (ii) the Corporation shall have the right to repurchase and such holders shall be required to sell all shares of Common Stock issued upon conversion (either pursuant to the foregoing clause (i) or otherwise) of all Additional A-1 Preferred Stock (as defined in the Series A-1 Purchase Agreement), all Series A-2 Stock, all Series A-3 Stock

and all Series A-4 Stock issued to such Investor pursuant to the Automatic Reclassification (as defined in the Series A-1 Purchase Agreement) (the "Repurchased Shares") for a per share purchase price equal to the par value of such Repurchased Share and all such Repurchased Shares shall thereafter be cancelled by the Corporation and no longer be issued and outstanding shares of capital stock of the Corporation, in accordance with Section 4(e) of the Series A-1 Purchase Agreement and Section 9.(b) below. The conversion and repurchase of shares to the Corporation set forth in this Section 9.(a) is referred to as a "Subsequent Closing Adjustment".

(b) Procedural Requirements. Upon a Subsequent Closing Adjustment, each holder of shares of New Preferred Stock converted pursuant to Section B.9(a) shall be sent written notice of such Subsequent Closing Adjustment and the place designated for mandatory conversion of all such shares of New Preferred Stock and the repurchase of all Repurchased Shares. Upon receipt of such notice, each holder of such shares of New Preferred Stock and Repurchased Shares shall surrender his, her or its certificate or certificates for all such shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to

indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice. If so required by the Corporation, certificates surrendered for conversion or repurchase shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her or its attorney duly authorized in writing. All rights with respect to the New Preferred Stock so converted or such Repurchased Shares to be repurchased, including the rights, if any, to receive notices and vote (other than as a holder of shares of Common Stock that are not Repurchased Shares), will terminate at the time of the failure to fulfill the obligations of any Closing (as defined in the Series A-1 Purchase Agreement) (notwithstanding the failure of the holder or holders thereof to surrender the certificates for such shares at or prior to such time), except only the rights of the holders thereof, upon surrender of their certificate or certificates therefor (or lost certificate affidavit and agreement), to receive the items provided for in the next sentence of this Section B.9(b). As soon as practicable after the surrender of the certificate or certificates (or lost certificate affidavit and agreement) for New Preferred Stock so converted that is not included among the Repurchased Shares, the Corporation shall issue and deliver to such holder, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof, together with cash as provided in B.7(d) in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and the payment of any declared but unpaid dividends on the shares of New Preferred Stock converted. Such converted New Preferred Stock, together with all Repurchased Shares pursuant to B.9(a)(ii) shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of New Preferred Stock and Common Stock accordingly.

10. Special Mandatory Conversion.

(a) Trigger Events. Each share of New Preferred Stock shall be automatically converted into fully paid and non-assessable shares of Common Stock at the then-effective applicable Conversion Price in the event that (i) the New Senior Majority shall have elected to convert all shares of New Preferred Stock or (2) the Common Stock of the Corporation becomes listed for trading on a national securities exchange. Each of the conversions set forth in this Section B.10(a) is referred to as a "Special Mandatory Conversion." All accrued but unpaid dividends on shares New Preferred Stock shall be paid, in cash or additional shares at the discretion of the Board of Directors, in connection with any Special Mandatory Conversion.

(b) Procedural Requirements. Upon a Special Mandatory Conversion, each holder of shares of New Preferred Stock converted pursuant to Section B.10(a) shall be sent written notice of such Special Mandatory Conversion and the place designated for mandatory conversion of all shares of New Preferred Stock. Upon receipt of such notice, each holder of such shares of New Preferred Stock shall surrender his, her or its certificate or certificates for all such shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice. If so required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her or

its attorney duly authorized in writing. All rights with respect to the New Preferred Stock so converted, including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the time of the Special Mandatory Conversion (notwithstanding the failure of the holder or holders thereof to surrender the certificates for such shares at or prior to such time), except only the rights of the holders thereof, upon surrender of their certificate or certificates therefor (or lost certificate affidavit and agreement), to receive

the items provided for in the next sentence of this Section B.10(b). As soon as practicable after the Special Mandatory Conversion and the surrender of the certificate or certificates (or lost certificate affidavit and agreement) for New Preferred Stock so converted, the Corporation shall issue and deliver to such holder, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof, together with cash as provided in B.7(d) in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and the payment of any declared but unpaid dividends on the shares of New Preferred Stock converted, and a new certificate for the number of shares, if any, of New Preferred Stock represented by such surrendered certificate and not converted pursuant to B.10(a). Such converted New Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of New Preferred Stock accordingly.

(c) Duration of Section. This Section B.10 and the rights and obligations of the parties hereunder shall automatically terminate on the consummation of a Liquidation or an Event of Sale.

PART C. COMMON STOCK

1. Designation and Amount. The number of shares, powers, terms, conditions, designations, preferences and privileges, relative, participating, optional and other special rights, and qualifications, limitations and restrictions of the Common Stock shall be as set forth in this Part C of Article III of this Certificate. The number of authorized shares of Common Stock shall initially be Thirty-four Million Eight Hundred Fifty-nine Thousand Nine Hundred Sixty-four (34,859,964) shares. Such authorized shares of Common Stock may be increased or decreased (but not below the combined number of shares thereof then outstanding and those reserved for issuance upon conversion of the Preferred Stock) by the affirmative vote of the holders of the majority of the stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the Delaware General Corporation Law. The affirmative vote of the holders of shares of Common Stock, voting alone as a class, will not be required in connection therewith.

2. Voting. Except as provided in this Certificate or by applicable law, each Common Stockholder shall be entitled to one vote only for each share of Common Stock held of record on all matters as to which holders of Common Stock shall be entitled to vote, which voting rights shall not be cumulative.

3. Other Rights. Each share of Common Stock issued and outstanding shall be identical in all respects with each other such share, and no dividends shall be paid on any shares of Common Stock unless the same dividend is paid on all shares of Common Stock outstanding at the time of such payment. Except for and subject to those rights expressly granted to the holders of Preferred Stock and except as may be provided by the laws of the State of Delaware, the holders of Common Stock shall have all other rights of stockholders, including, without limitation, (a) the right to receive dividends, when and as declared by the Board of Directors, out of assets lawfully available therefor, and (b) in the event of any distribution of assets upon a Liquidation or Liquidation, after and subject to distribution to the holders of Preferred Stock and any other class or series of capital stock (other than the Common Stock) ranking senior to Common Stock of all amounts such class is entitled to receive pursuant to this Certificate, the right to receive ratably and equally, together with the holders of the Series A-1 Stock, Series A-2 Stock and Series A-3 Stock pursuant to this Certificate, all the remaining assets and funds of the Corporation.

ARTICLE IV
Registered Agent

The address of its registered office in the State of Delaware is 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, New Castle County. The name of its registered agent at such address is: Corporation Service Company.

ARTICLE V
Board of Directors

The entire Board of Directors of the Corporation shall consist of seven (7) persons. Unless and except to the extent that the by-laws of the Corporation otherwise require, the election of directors of the Corporation need not be by written ballot.

ARTICLE VI
By-laws

In furtherance and not in limitation of the powers conferred by the laws of the State of Delaware, the Board of Directors is expressly authorized to adopt, amend or repeal the by-laws of the Corporation subject to the provisions of Section A.6(f)(ix) of Article III hereof.

ARTICLE VII
Perpetual Existence

The Corporation is to have perpetual existence.

ARTICLE VIII
Amendments and Repeal

Except as otherwise specifically provided in this Certificate, the Corporation reserves the right at any time, and from time to time, to amend, alter, change or repeal any provision contained in this Certificate, and to add or insert other provisions authorized at such time by the laws of the State of Delaware, in the manner now or hereafter prescribed by law; and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Certificate in its present form or as hereafter amended are granted subject to the rights reserved in this Article VIII.

ARTICLE IX
Compromises and Arrangements

Whenever a compromise or arrangement is proposed between this Corporation and its creditors or any class of them and/or between this Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this Corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for this Corporation under the provisions of Section 291 of Title 8 of the DGCL or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under the provisions of Section 279 of Title 8 of the DGCL, order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, which parties are to be summoned in such manner as the court directs. If a majority in number representing three-fourths (3/4) in value of either the creditors or a class of creditors and/or of the stockholders or a class of stockholders of this Corporation, as the case may be, agree to any compromise

or arrangement and to any reorganization of this Corporation as a consequence of such compromise or arrangement, said compromise or arrangement and said reorganization shall, if sanctioned by the court to which said application has been made, be binding on all the creditors or class of creditors and/or on all the stockholders or class of stockholders of this Corporation, as the case may be, and also on this Corporation.

ARTICLE X
Limitation of Liability

1. The Corporation shall, to the fullest extent permitted by Section 145 of the DGCL, as the same may be amended and supplemented from time to time, indemnify and advance expenses to (i) its directors (including observers to the Board of Directors) and officers, and (ii) any person who at the request of the Corporation is or was serving as a director (including observers to the Board of Directors), officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, from and against any and all of the expenses, liabilities, or other matters referred to in or covered by said section as amended or supplemented (or any successor thereto), provided, however, that except with respect to proceedings to enforce rights to indemnification, the by-laws of the Corporation may provide that the Corporation shall indemnify any director (including observers to the Board of Directors), officer or such person in connection with a proceeding (or part thereof) initiated by such director (including observers to the Board of Directors), officer or such person only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. The Corporation, by action of its Board of Directors, may provide indemnification or advance expenses to employees and agents of the Corporation or other persons only on such terms and conditions and to the extent determined by the Board of Directors in its sole and absolute discretion. The indemnification provided for herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any by-law, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in their official capacity and as to action in another capacity while holding such office. The indemnification provided for herein shall continue as to a person who has ceased to be a director, officer, employee, or agent of the Corporation and shall inure to the benefit of the heirs, executors and administrators of such a person.

2. No director (including observers to the Board of Directors) of this Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent that exemption from liability or limitation thereof is not permitted under the DGCL as in effect at the time such liability or limitation thereof is determined. No amendment, modification or repeal of this Article X shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment, modification or repeal. If the DGCL is amended after approval by the stockholders of this Article 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.

3. The Corporation hereby renounces, to the fullest extent permitted by Section 122(17) of the DGCL, any interest or expectancy of the Corporation in, or in being offered an opportunity to participate in, any business opportunities that are presented to any of its directors who are not otherwise employed by the Corporation, other than business opportunities that are presented to any director acting solely and specifically in his or her capacity as a director of the Corporation. No amendment or repeal of this Article shall apply to or have any effect on the liability or alleged liability of any such director for or with respect to any opportunities of which such director become aware prior to such amendment or repeal.

(remainder of this page intentionally left blank.)

IN WITNESS WHEREOF, the undersigned has caused this Certificate to be duly executed on behalf of the Corporation on , 2011.

RADIUS HEALTH, INC.

By: _____

Name: C. Richard Edmund Lyttle

Title: Chief Executive Officer and President

Exhibit B

Form of Stockholders' Agreement

FORM OF
AMENDED AND RESTATED
STOCKHOLDERS' AGREEMENT

THIS AMENDED AND RESTATED STOCKHOLDERS' AGREEMENT, dated this day of May, 2011, is entered into by and among (i) Radius Health, Inc., a Delaware corporation (the "Corporation"), (ii) those common stockholders of the Corporation listed on Schedule 1 hereto (hereinafter referred to collectively as the "Common Stockholders"), (iii) those stockholders of the Corporation who hold Series A-1 Convertible Preferred Stock, par value $.01 per share ("Series A-1 Preferred Stock"), listed on Schedule 2 hereto (hereinafter referred to collectively as the "Series A-1 Stockholders"), (iv) those stockholders of the Corporation who hold Series A-2 Convertible Preferred Stock, par value $.01 per share ("Series A-2 Preferred Stock"), listed on Schedule 3 hereto (hereinafter referred to collectively as the "Series A-2 Stockholders"), (v) those stockholders of the Corporation who hold Series A-3 Convertible Preferred Stock, par value $.01 per share ("Series A-3 Preferred Stock"), listed on Schedule 4 hereto (hereinafter referred to collectively as the "Series A-3 Stockholders"), (vi) those stockholders of the Corporation who hold Series A-4 Convertible Preferred Stock, par value $.01 per share ("Series A-4 Preferred Stock"), listed on Schedule 5 hereto (hereinafter referred to collectively as the "Series A-4 Stockholders"), (vii) that certain stockholder of the Corporation who holds Series A-5 Convertible Preferred Stock, par value $.01 per share ("Series A-5 Preferred Stock"), listed on Schedule 6 hereto (hereinafter referred to as the "Series A-5 Stockholder") and (viii) any person or entity that becomes a party hereto pursuant to Section 17 hereof or otherwise (the "Additional Stockholders").

WITNESSETH:

WHEREAS, the Corporation and the Series A-1 Stockholders have entered into a Series A-1 Convertible Preferred Stock Purchase Agreement, dated the date hereof (the "Stock Purchase Agreement"), in connection with which the Corporation has agreed to sell shares Series A-1 Preferred Stock, and the Corporation desires to grant to the Series A-1 Stockholders certain registration and other rights with respect to such shares;

WHEREAS, the Corporation and certain of the other parties hereto entered into an Amended and Restated Stockholders' Agreement, dated December 15, 2006, as amended by Amendment No. 1 to Amended and Restated Stockholders' Agreement, dated February 22, 2007, Amendment No. 2 to Amended and Restated Stockholders' Agreement, dated August 17, 2007, and Amendment No. 3 to Amended and Restated Stockholders' Agreement, dated October 18, 2008 (as so amended, the "Prior Agreement"), which Prior Agreement the requisite persons desire to amend and restate in its entirety as set forth herein; and

WHEREAS, as a condition to Series A-1 Stockholders entering into the Stock Purchase Agreement, the Common Stockholders, Series A-2 Stockholders, Series A-3 Stockholders, Series A-4 Stockholders, Series A-5 Stockholder and Series A-6 Stockholder (as hereinafter defined) have agreed to certain restrictions on their rights to dispose of their shares of Common Stock (as hereinafter defined) and Preferred Stock (as hereinafter defined) as contained in this Agreement;

NOW, THEREFORE, in consideration of the foregoing and of the respective covenants and undertakings of the Corporation and the Stockholders hereunder and under the Stock Purchase Agreement, the parties hereto do hereby agree as follows:

SECTION 1. Definitions. As used herein, the following terms shall have the following respective meanings:

Board shall mean the Board of Directors of the Corporation.

BB Bio shall mean BB Biotech Ventures II, L.P. including any successor thereto or any assignee of the interest, in whole or in part, of BB Bio under this Agreement

BB Bio Group shall mean: (i) BB Bio; (ii) BB BIOTECH AG, (iii) any investment fund limited partnership now existing or hereafter formed which is affiliated with or under common control with one or more general partners of any general partner of any of the foregoing (a "BB Bio Fund"); (iv) any limited partners or affiliates of BB Bio or any other BB Bio Fund; and (v) any successors or assigns of any of the foregoing.

Brookside shall mean Brookside Capital Partners Fund L.P., a Delaware limited partnership, including any successor thereto or any assignee of the interest, in whole or in part, of Brookside Capital Partners Fund L.P. under this Agreement.

Brookside Group shall mean: (i) Brookside; (ii) any investment fund limited partnership now existing or hereafter formed which is affiliated with or under common control with one or more general partners of any general partner of Brookside (a "Brookside Fund"); (iii) any limited partners or affiliates of Brookside or any other Brookside Fund; and (iv) any successors or assigns of any of the foregoing.

Certificate shall mean the Fourth Amended and Restated Certificate of Incorporation of the Corporation and the certificate of incorporation of the Corporation' s successors and assigns, each as amended from time to time.

Commission shall mean the U.S. Securities and Exchange Commission.

Common Stock shall mean the Common Stock, par value $.01 per share, of the Corporation.

Effectiveness Date means, with respect to the Registration Statement required to be filed under Section 3.4(a), the 90th calendar day following the Closing Date; provided, however, that, if the Commission reviews and has written comments to the filed Registration Statement, then the Effectiveness Date shall be the 180th calendar day following the Closing Date; provided further, however, that in the event the Corporation is notified by the Commission that the Registration Statement will not be reviewed or is no longer subject to further review and comments, the Effectiveness Date shall be the fifth Trading Day following the date on which the Corporation is so notified if such date precedes the dates required above; provided further, however, that if the Effectiveness Date falls on a Saturday, Sunday or other day on which the Commission is not open for business, then the Effectiveness Date shall be extended to the next day on which the Commission is open for business.

Effectiveness Period shall have the meaning set forth in Section 3.4(a) hereof.

Equity Percentage shall mean, as to any Series A-1 Stockholder or Other Preferred Stockholder, as applicable, that percentage figure which expresses the ratio that (a) the number of shares of issued and outstanding Common Stock then owned by such Series A-1 Stockholder or Other Preferred Stockholder bears to (b) the aggregate number of shares of issued and outstanding Common Stock then owned by all Series A-1 Stockholders and Other Preferred Stockholders. For purposes solely of the computation set forth in clauses (a) and (b) above and the right of oversubscription (as set forth in Section 2.3(d)), all issued and outstanding securities held by the Series A-1 Stockholders and Other Preferred Stockholders that are convertible into or exercisable or exchangeable for shares of Common Stock (including any issued and issuable shares of Preferred Stock) or for any such convertible, exercisable or exchangeable securities, shall be treated as having been so converted, exercised or exchanged at the rate

or price at which such securities are convertible, exercisable or exchangeable for shares of Common Stock in effect at the time in question (which, for purposes of Section 2.3 of this Agreement, shall be at the time of delivery by the Corporation of the notice of the Offer contemplated by Section 2.3(b)), whether or not such securities are at such time immediately convertible, exercisable or exchangeable.

Event shall have the meaning set forth in Section 3.4(b) hereof.

Event Date shall have the meaning set forth in Section 3.4(b) hereof.

Exchange Act shall mean the Securities Exchange Act of 1934, as amended.

Exchange Act Registration Statement shall have the meaning set forth in Section 2.5 hereof.

Excess Securities shall have the meaning set forth in Section 2.3(d) hereof.

Excess Securities Notice shall have the meaning set forth in Section 2.3(d) hereof.

Excess Securities Period shall have the meaning set forth in Section 2.3(d) hereof.

Excluded Forms shall have the meaning given such term in Section 3.5 hereof.

Excluded Securities shall mean, collectively:

(i) the Reserved Shares:

(ii) Common Stock issued or issuable to officers, directors or employees of or consultants or independent contractors to the Corporation, pursuant to any written agreement, plan or arrangement, including pursuant to any options granted under the 2003 Long-Term Incentive Plan, as amended, of the Corporation, to purchase, or rights to subscribe for, such Common Stock, that has been approved in form and in substance by the holders of a majority of the voting power of the Series A-1 Preferred Stock then outstanding, calculated in accordance with Section A.6(a) of Article III of the Certificate, and which, as a condition precedent to the issuance of such shares, provides for the vesting of such shares and subjects such shares to restrictions on Transfers and rights of first offer in favor of the Corporation; provided, however, that the maximum number of shares of Common Stock heretofore or hereafter issuable pursuant to the 2003 Long-Term Incentive Plan, as amended, and all such agreements, plans and arrangements shall not exceed 2,015,666 shares of Common Stock;

(iii) Common Stock issued as a stock dividend payable in shares of Common Stock, or capital stock of any class issuable upon any subdivision, recombination, split-up or reverse stock split of all the outstanding shares of such class of capital stock of the Corporation;

(iv) Common Stock or other securities issued or issuable pursuant to the acquisition by the Corporation of any other corporation, partnership, joint venture, trust or other entity by any merger, stock acquisition, reorganization, purchase of substantially all assets or otherwise in which the Corporation, or its stockholders of record immediately prior to the effective date of such transaction, directly or indirectly, own at least a majority of the voting power of the acquired entity or the resulting entity after such transaction, in each case so long as such transaction is approved by the Board of Directors;

(v) Common Stock or other securities issued or issuable to banks, lenders or landlords, provided that each such issuance is approved by the Board of Directors, including, but not limited to, warrants to acquire Common Stock held by Silicon Valley Bank (or its affiliates, successors and assignees), warrants to purchase Preferred Stock issued or to be issued to GE Healthcare Financial Services, Inc. ("GEHFS") and Oxford Finance Corporation ("OFC") pursuant to a proposed debt financing approved by the Board of Directors (the "GE Financing"), shares of Preferred Stock issued or issuable to GE in connection with the GE Financing or upon exercise by GEHFS or OFC of warrants issued in the GE Financing and shares of common stock issuable upon conversion of any such shares of Preferred Stock issued to GEHFS or OFC pursuant to the GE Financing;

(vi) Common Stock or other securities issued or issuable to third parties in connection with strategic partnerships or alliances, corporate partnerships, joint ventures or other licensing transactions, provided that each such transaction and related issuance is approved by the Board of Directors, including, but not limited to, (A) any shares of Preferred Stock or Common Stock issued or

issuable to Ipsen Pharma SAS ("Ipsen"), pursuant to the terms of that certain License Agreement, as amended and may be amended with the approval of the Board of Directors of the Corporation and in effect from time to time, by and between the Corporation and Ipsen as payment milestones in lieu of cash payments and (B) shares of Series A-5 Stock issued or issuable pursuant to that certain Stock Issuance Agreement as of March 29, 2011 by and between the Corporation and Nordic Bioscience and the letter agreement as of March 29, 2011 by and between the Corporation and Nordic Bioscience, pursuant to which the Corporation will issue shares of the Corporation' s Series A-5 Convertible Preferred Stock, $0.01 par value per share and the issuance of Series A-6 Stock issued or to be issued as dividends on such Series A-5 Stock, and shares of Common Stock issuable upon conversion of any such shares of Series A-5 Stock and Series A-6 Stock;

(vii) Common Stock or other securities, the issuance of which is approved by the Majority Investors, with such approval expressly waiving the application of the anti-dilution or right of first refusal provisions of the Agreement as a result of such issuance;

(viii) Preferred Stock or Common Stock issued or issuable pursuant to any warrant outstanding as of the date hereof or any warrant and any shares of Preferred Stock or common stock, or common stock issued upon exercise of any Preferred Stock, issued in connection with the Qualified Financing, including, but not limited to a warrant for shares of Series A-1 Preferred Stock issued or issuable to Leerink Swan, any shares of Preferred Stock or Common Stock upon exercise thereof and any Common Stock issuable upon conversion of such Preferred Stock issued upon exercise thereof; and

(ix) All shares of Preferred Stock and Common Stock issued pursuant to the Stock Purchase Agreement and related recapitalization, as the same may be amended from time to time by the parties thereto in accordance with its terms, and all shares of Common Stock issued or issuable upon conversion of any such shares of Preferred Stock.

Filing Date means, with respect to the Registration Statement required to be filed under Section 3.4, the 60th calendar day following the date of consummation of the Merger; provided, however, that if the Filing Date falls on a Saturday, Sunday or other day on which the Commission is not open for business, then the Filing Date shall be extended to the next day on which the Commission is open for business.

FINRA shall have the meaning set forth in Section 3.4(b)(viii) hereof.

Group shall mean: (i) as to any Stockholder that is a corporation or other entity, any and all of the venture capital limited partnerships or corporations now existing or hereafter formed that are affiliated with or under common control with one or more of the controlling stockholders of such Stockholder and any predecessor or successor thereto; (ii) in the case of any member of the HCV Group, any other member of the HCV Group; (iii) in the case of any member of the MPM Group, any other member of the MPM Group; (iv) in the case of any member of the Brookside Group, any other member of the Brookside Group; (v) in the case of any member of the Oxford/Saints Group, any other member of the Oxford/Saints Group; (vi) in the case of any member of the BB Bio, any other member of the BB Bio Group and (vi) in the case of Wellcome, any successor trustee of the Wellcome Trust or additional trustee or trustees of the Wellcome Trust from time to time, or any company whose shares are all held directly or indirectly by the Wellcome Trust, or any nominee or custodian of any such person.

HCV Group shall mean: (i) HCV VII; (ii) any venture capital limited partnership now existing or hereafter formed which is affiliated with or under common control with one or more general partners of any general partner of HCV VII (an "HCV Fund"); (iii) any limited partners or affiliates of HCV VII or any other HCV Fund; and (iv) any successors or assigns of any of the foregoing.

HCV VII shall mean HealthCare Ventures VII, L.P. a Delaware limited partnership, including any successor thereto or any assignee of the interest, in whole or in part, of HCV VII under this Agreement.

Holder or Holders means the holder or holders, as the case may be, from time to time of Registrable Securities.

Independent Directors shall have the meaning set forth in Section 4.1(b) hereof.

Industry Expert Director shall have the meaning set forth in Section 4.1(b) hereof.

Investor Directors shall have the meaning set forth in Section 4.1(b) hereof.

Investors shall mean each of the persons listed on Schedule 2 hereto, severally, but not jointly and severally.

Issuer Filing shall have the meaning set forth in Section 3.4(g) hereof.

Majority Investors shall mean the holders of a majority of the voting power of the Series A-1 Preferred Stock, Series A-2 Preferred Stock and Series A-3 Preferred Stock then outstanding, voting together as a single class, calculated in accordance with Section A.6 of Article III of the Certificate (including, in such calculation, any shares issued upon conversion of such Series A-1 Preferred Stock, Series A-2 Preferred Stock and Series A-3 Preferred Stock then outstanding).

Merger shall have the meaning ascribed thereto in the Stock Purchase Agreement.

MPM shall mean MPM Capital L.P.

MPM Group shall mean (i) MPM BioVentures III, L.P., (ii) MPM BioVentures III QP. L.P., (iii) MPM BioVentures III GmbH & Co. Beteiligungs KG, (iv) MPM BioVentures III Parallel Fund, L.P., (v) MPM Asset Management Investors 2003 VIII LLC, (vi) MPM Bio IV NVS Strategic Fund, L.P., (vii) any other venture capital limited partnership now existing or hereafter formed which is affiliated with or under common control with the foregoing or one or more general partners of the foregoing, and (viii) any successors or assigns of the foregoing.

Notice of Acceptance shall have the meaning set forth in Section 2.3(c) hereof.

Offer shall have the meaning set forth in Section 2.3(b) hereof.

Offered Securities shall mean, except for Excluded Securities, (i) any shares of Common Stock, Preferred Stock or any other equity security of the Corporation, (ii) any debt security, (iii) any capitalized lease with any equity feature with respect to the Corporation, or (iv) any option, warrant or other right to subscribe for, purchase or otherwise acquire any such equity security, debt security or capitalized lease.

Option Shares shall mean the 2003 Plan Option Shares as defined in Section 5.2(a)(i)(3) of the Stock Purchase Agreement.

Other Preferred Stockholder shall mean any holder of shares of Series A-2 Preferred Stock, Series A-3 Preferred Stock, Series A-4 Preferred Stock, Series A-5 Preferred Stock or Series A-6 Preferred Stock.

Other Shares shall have the meaning set forth in Section 3.5(e) hereof.

Oxford shall mean Oxford Bioscience Partners IV L.P., until such time as such entity shall have transferred all of its Common Stock and Preferred Stock to OBP IV − Holdings LLC, at which time "Oxford" shall mean OBP IV − Holdings LLC.

Oxford/Saints Group shall mean (i) Oxford Bioscience Partners IV L.P., (ii) mRNA Fund II L.P., (iii) OBP IV − Holdings LLC, (iv) mRNA II − Holdings LLC, (v) Saints Capital VI, L.P., (vi) any other venture capital limited partnership now existing or hereafter formed which is affiliated with or under common control with the foregoing or one or more general partners of the foregoing, and (vii) any successors or assigns of the foregoing.

Person (whether or not capitalized) means an individual, corporation, partnership, limited partnership, limited liability company, syndicate, trust, association or entity or government, political subdivision, agency or instrumentality of a government.

Plan of Distribution shall have the meaning set forth in Section 3.4(a) hereof.

Preferred Shares shall mean shares of Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock, Series A-4 Preferred Stock, Series A-5 Preferred Stock and shares of the Corporation' s Series A-6 Convertible Preferred Stock, par value $0.01 per share (the "Series A-6 Preferred Stock", with any holder of Series A-6 Preferred Stock being referred to herein as a "Series A-6 Stockholder").

Preferred Stock shall mean the Preferred Stock, par value $.01 per share, of the Corporation.

Preferred Stockholders shall mean, collectively, all holders of shares of Preferred Stock of the Corporation.

Prospectus means the prospectus included in a Registration Statement (including, without limitation, a prospectus that includes any information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 430A promulgated under the Securities Act), as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of

any portion of the Registrable Securities covered by a Registration Statement, and all other amendments and supplements to the Prospectus, including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such Prospectus.

Qualified Public Offering shall have the same meaning as that set forth in the Certificate.

Refused Securities shall have the meaning set forth in Section 2.3(f) hereof.

Registrable Securities shall mean all of the Preferred Shares, the Common Stock issued or issuable upon the conversion of the Preferred Shares, all shares of Common Stock issued or issuable in respect thereof by way of stock splits, stock dividends, stock combinations, recapitalizations or like occurrences, and any other shares of Common Stock or other securities of the Corporation which may be issued hereafter to any of the Investors or any member of their Group which are convertible into or exercisable for shares of Common Stock (including, without limitation, other classes or series of convertible Preferred Stock, warrants, options or other rights to purchase Common Stock or convertible debentures or other convertible debt securities) and the Common Stock issued or issuable upon such conversion or exercise of such other securities, which have not been sold (a) in connection with an effective registration statement filed pursuant to the Securities Act or (b) pursuant to Rule 144 or Rule 144A promulgated by the Commission under the Securities Act.

Registrable Shares shall mean the shares of Common Stock issued or issuable upon the conversion or exchange of the Registrable Securities or otherwise constituting a portion of the Registrable Securities.

Registration Statement means any registration statement required to be filed by the Corporation under Section 3.4 and any additional registration statement contemplated by Section 3.4(b)(iii), including (in each case) the Prospectus, amendments and supplements to such registration statement or Prospectus, including pre- and post-effective amendments, all exhibits thereto, and all material incorporated by reference or deemed to be incorporated by reference in such registration statement.

Reserved Shares shall mean the shares of Common Stock issued or issuable by the Corporation upon the conversion of the Preferred Shares.

Restricted Stock shall mean all shares of capital stock of the Corporation, excluding the Series A-1 Registrable Securities, Series A-2 Registrable Securities and Series A-3 Registrable Securities, including (i) all shares of Common Stock, (ii) all shares of Series A-4

Preferred Stock, (iii) all shares of Series A-5 Preferred Stock, (iv) all shares of Series A-6 Preferred Stock, (v) all additional shares of capital stock of the Corporation hereafter issued and outstanding, (vi) all shares of capital stock of the Corporation into which such shares may be converted or for which they may be exchanged or exercised and (vii) all other shares of capital stock issued or issuable by way of stock splits, stock dividends, stock combinations, recapitalizations or like occurrences on such shares.

Rule 415 means Rule 415 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

Rule 424 means Rule 424 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

Securities Act shall mean the Securities Act of 1933, as amended.

Selling Stockholder Questionnaire shall have the meaning set forth in Section 3.4(a) hereof.

Sell shall mean as to any Restricted Stock, to sell, or in any other way directly or indirectly, transfer, assign, distribute, encumber or otherwise dispose of either voluntarily or involuntarily; provided, however, that the term "Sell" shall not include the transfer, by gift or otherwise without consideration, of any Restricted Stock (a) by a Common Stockholder, Series A-4 Stockholder, Series A-5 Stockholder or Series A-6 Stockholder to any or all members of a class of persons consisting of his or her spouse, other members of his or her immediate family and/or his, her or their descendants, or to a trust of which all of the beneficiaries are members of such class, or (b) by a Common Stockholder, Series A-4 Stockholder, Series A-5 Stockholder or Series A-6 Stockholder that is a trust, employee benefit plan or individual retirement account, to the beneficiary or beneficiaries of such trust, employee benefit plan or individual retirement account, as applicable (each, a "Related Transferee"); provided, that any such transfer to a Related Transferee shall be permitted only on, and subject to, the express conditions that:

(i) such Related Transferee shall be deemed to be a Common Stockholder, Series A-4 Stockholder, Series A-5 Stockholder or Series A-6 Stockholder, as applicable, hereunder and shall hold the Restricted Stock subject to the provisions of this Agreement; and

(ii) such Related Transferee executes all documents necessary or desirable, in the reasonable judgment of the Corporation and the Investors, to become a party to, and be bound by the terms of this Agreement, including but not limited to an Instrument of Adherence pursuant to Section 17 hereof.

Series A-1 Directors shall have the meaning set forth in Section 4.1(b) hereof.

Series A-1 Preferred Stock shall have the meaning set forth in the second paragraph of this Agreement.

Series A-2 Preferred Stock shall have the meaning set forth in the first paragraph of this Agreement.

Series A-3 Preferred Stock shall have the meaning set forth in the first paragraph of this Agreement.

Series A-4 Preferred Stock shall have the meaning set forth in the first paragraph of this Agreement.

Series A-5 Preferred Stock shall have the meaning set forth in the first paragraph of this Agreement.

Series A-6 Preferred Stock shall have the meaning set forth in the definition of "Preferred Shares" above.

Series A-1 Registrable Shares shall mean the shares of Common Stock issued or issuable upon the conversion or exchange of the Series A-1 Registrable Securities or otherwise constituting a portion of the Series A-1 Registrable Securities.

Series A-1 Registrable Securities shall mean any of the Series A-1 Preferred Stock, the Common Stock issued or issuable upon the conversion of the Series A-1 Preferred Stock, all shares of Common Stock issued or issuable in respect thereof by way of stock splits, stock dividends, stock combinations, recapitalizations or like occurrences, and any other shares of Common Stock or other securities of the Corporation which may be issued hereafter to any of the Series A-1 Stockholders or any member of their Group which are convertible into or exercisable for shares of Common Stock (including, without limitation, other classes or series of convertible Preferred Stock, warrants, options or other rights to purchase Common Stock or convertible debentures or other convertible debt securities) and the Common Stock issued or issuable upon such conversion or exercise of such other securities, which have not been sold (a) in connection with an effective registration statement tiled pursuant to the Securities Act or (b) pursuant to Rule 144 or Rule 144A promulgated by the Commission under the Securities Act.

Series A-2 Registrable Shares shall mean the shares of Common Stock issued or issuable upon the conversion or exchange of the Series A-2 Registrable Securities or otherwise constituting a portion of the Series A-2 Registrable Securities.

Series A-2 Registrable Securities shall mean any of the Series A-2 Preferred Stock, the Common Stock issued or issuable upon the conversion of the Series A-2 Preferred Stock, all shares of Common Stock issued or issuable in respect thereof by way of stock splits, stock dividends, stock combinations, recapitalizations or like occurrences, and any other shares of Common Stock or other securities of the Corporation which may be issued hereafter to any of the Investors or any member of their Group which are convertible into or exercisable for shares of Common Stock (including, without limitation, other classes or series of convertible Preferred Stock, warrants, options or other rights to purchase Common Stock or convertible debentures or other convertible debt securities) and the Common Stock issued or issuable upon such conversion or exercise of such other securities, which have not been sold (a) in connection with an effective registration statement tiled pursuant to the Securities Act or (b) pursuant to Rule 144 or Rule 144A promulgated by the Commission under the Securities Act.

Series A-3 Registrable Shares shall mean the shares of Common Stock issued or issuable upon the conversion or exchange of the Series A-3 Registrable Securities or otherwise constituting a portion of the Series A-3 Registrable Securities.

Series A-3 Registrable Securities shall mean any of the Series A-3 Preferred Stock, the Common Stock issued or issuable upon the conversion of the Series A-3 Preferred Stock, all shares of Common Stock issued or issuable in respect thereof by way of stock splits, stock dividends, stock combinations, recapitalizations or like occurrences, and any other shares of Common Stock or other securities of the Corporation which may be issued hereafter to any of the Investors or any member of their Group which are convertible into or exercisable for shares of Common Stock (including, without limitation, other classes or series of convertible Preferred Stock, warrants, options or other rights to purchase Common Stock or convertible debentures or other convertible debt securities) and the Common Stock issued or issuable upon such conversion or exercise of such other securities, which have not been sold (a) in connection with an effective registration statement tiled pursuant to the Securities Act or (b) pursuant to Rule 144 or Rule 144A promulgated by the Commission under the Securities Act.

Series A-1 Stockholder shall have the meaning set forth in the second paragraph of this Agreement.

Series A-2 Stockholders shall have the meaning set forth in the first paragraph of this Agreement.

Series A-3 Stockholders shall have the meaning set forth in the first paragraph of this Agreement.

Series A-4 Stockholder shall have the meaning set forth in the first paragraph of this Agreement.

Series A-5 Stockholder shall have the meaning set forth in the first paragraph of this Agreement.

Series A-6 Stockholder shall have the meaning set forth in the definition of "Preferred Shares" above.

Specified Preferred Director shall have the meaning set forth in Section 4.1(b) hereof.

Specified Preferred Holder shall mean each of Oxford, Wellcome and HCV VII.

Stock Purchase Agreement shall mean the Series A-1 Convertible Preferred Stock Purchase Agreement, dated as of the date hereof, among the Corporation and the Investors listed on Schedule I thereto.

Stockholders shall mean all holders of capital stock of the Corporation.

Trading Day shall have the meaning set forth in Section 3.4(a) hereof.

30-Day Period shall have the meaning set forth in Section 2.3(b) hereof.

Transfer shall include any disposition of any Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock or of any interest therein which would constitute a sale thereof within the meaning of the Securities Act.

Wellcome shall mean The Wellcome Trust Limited, as trustee of the Wellcome Trust.

SECTION 2. Certain Covenants of the Corporation.

2.1 Meetings of the Board of Directors. The Corporation shall call, and use its best efforts to have, regular meetings of the Board not less often than quarterly. The Corporation shall promptly pay all reasonable and appropriately documented travel expenses and other out-of-pocket expenses incurred by directors who are not employed by the Corporation in connection with attendance at meetings to transact the business of the Corporation or attendance at meetings of the Board or any committee thereof.

2.2 Reservation of Shares of Common Stock and Preferred Stock, Etc. The Corporation shall at all times have authorized and reserved out of its authorized but unissued shares of Common Stock a sufficient number of shares of Common Stock to provide for the conversion of the Preferred Shares. Neither the issuance of the Preferred Shares nor the shares of Common Stock issuable upon the conversion of the Preferred Shares shall be subject to a preemptive right of any other Stockholder.

2.3 Right of First Refusal.

(a) The Corporation shall not issue, sell or exchange, agree to issue, sell or exchange, or reserve or set aside for issuance, sale or exchange, any Offered Securities, unless in each

case the Corporation shall have first offered to sell to the Series A-1 Stockholders, Series A-2 Stockholders and the Series A-3 Stockholders (collectively, the "ROFR Stockholders") all of such Offered Securities on the terms set forth herein. Each ROFR Stockholder shall be entitled to purchase up to its Equity Percentage of the Offered Securities. Each ROFR Stockholder may delegate its rights and obligations with respect to such Offer to one or more members of its Group, which members shall thereafter be deemed to be "ROFR Stockholders" for the purpose of applying this Section 2.3 to such Offer.

(b) The Corporation shall deliver to each ROFR Stockholder written notice of the offer to sell the Offered Securities, specifying the price and terms and conditions of the offer (the "Offer"). The Offer by its terms shall remain open and irrevocable

for a period of 30 days from the date of its delivery to such ROFR Stockholders (the "30-Day Period"), subject to extension to include the Excess Securities Period (as such term is hereinafter defined).

(c) Each ROFR Stockholder shall evidence its intention to accept the Offer by delivering a written notice signed by such ROFR Stockholder, as applicable, setting forth the number of shares that such ROFR Stockholder elects to purchase (the "Notice of Acceptance"). The Notice of Acceptance must be delivered to the Corporation prior to the end of the 30-Day Period. The failure by a ROFR Stockholder to exercise its rights hereunder shall not constitute a waiver of any other rights or of the right to receive notice of and participate in any subsequent Offer.

(d) If any ROFR Stockholder fails to exercise its right hereunder to purchase its Equity Percentage of the Offered Securities, the Corporation shall so notify the other ROFR Stockholders in a written notice (the "Excess Securities Notice"). The Excess Securities Notice shall be given by the Corporation promptly after it learns of the intention of any ROFR Stockholder not to purchase all of its Equity Percentage of the Offered Securities, but in no event later than ten (10) business days after the expiration of the 30-Day Period. The ROFR who or which have agreed to purchase their Equity Percentage of the Offered Securities shall have the right to purchase the portion not purchased by such ROFR Stockholders (the "Excess Securities"), on a pro rata basis, by giving notice within ten (10) business days after receipt of the Excess Securities Notice from the Corporation. The twenty (20) business day period during which (i) the Corporation must give the Excess Securities Notice to the applicable ROFR Stockholders, and (ii) each of them must then give the Corporation notice of their intention to purchase all or any portion of their pro rata share of the its Excess Securities, is hereinafter referred to as the "Excess Securities Period."

(e) If the ROFR Stockholders tender their Notice of Acceptance prior to the end of the 30-Day Period, indicating their intention to purchase all of the Offered Securities, or, if prior to the termination of the Excess Securities Period the ROFR Stockholders tender Excess Securities Notices to purchase all of the Excess Securities, the Corporation shall schedule a closing of the sale of all such Offered Securities. Upon the closing of the sale of the Offered Securities to be purchased by the ROFR Stockholders and the Excess Securities to be purchased by ROFR Stockholders, each ROFR Stockholder shall (i) purchase from the Corporation that portion of the Offered Securities and Excess Securities, as applicable, for which it tendered a Notice of Acceptance and an Excess Securities Notice, as applicable, upon the terms specified in the Offer, and (ii) execute and deliver an agreement further restricting transfer of such Offered Securities substantially as set forth in Section 3.1, 3.2 and 3.3 of this Agreement. In addition, with respect to the Offered Securities and Excess Securities being purchased by the ROFR Stockholders, the Corporation shall provide each such ROFR Stockholder with the rights and benefits set forth in this Agreement. The obligation of the ROFR Stockholders to purchase such Offered Securities and Excess Securities, as applicable, is further conditioned upon the preparation of a purchase agreement embodying the terms of the Offer, which shall be reasonably satisfactory in form and substance to such ROFR Stockholder and each of their respective counsels.

(f) The Corporation shall have ninety (90) days from the expiration of the 30-Day Period, or the Excess Securities Period, if applicable, to sell the Offered Securities (including the Excess Securities) refused by the ROFR Stockholders (the "Refused Securities") to any other person or persons, but only upon terms and conditions which are in all material respects (including, without limitation, price and interest rate) no more favorable to such other person or persons, and no less favorable to the Corporation, than those set forth in the Offer. Upon and subject to the closing of the sale of all of the Refused Securities (which shall include full payment to the Corporation), each ROFR Stockholder shall (i) purchase from the Corporation those Offered Securities and Excess Securities, as applicable, for which it tendered a Notice of Acceptance and an Excess Securities Notice, if applicable, upon the terms specified in the Offer, and (ii) execute and deliver an agreement restricting transfer of such Offered Securities and Excess Securities, as applicable, substantially as set forth in Sections 3.1, 3.2 and 3.3 of this Agreement. In addition, with respect to the Offered Securities or Excess Securities being purchased by the ROFR Stockholders, the Corporation shall provide each such ROFR Stockholder with the rights and benefits set forth in this Agreement. The Corporation agrees, as a condition precedent to accepting payment for and making delivery of any Refused Securities to any executive officer, employee, consultant or independent contractor of or to the Corporation, or to any other person, to have each and every such person execute and deliver this Agreement, as may be modified or amended from time to time pursuant to Section 11 hereof, to the extent such purchaser has not already executed this Agreement. The obligation of the ROFR Stockholders to purchase such Offered Securities and Excess

Securities, as applicable, is further conditioned upon the preparation of a purchase agreement embodying the terms of the Offer, which shall be reasonably satisfactory in form and substance to such ROFR Stockholder and each of their respective counsels.

(g) In each case, any Offered Securities not purchased either by the ROFR Stockholders or by any other person in accordance with this Section 2.3 may not be sold or otherwise disposed of until they are again offered to the ROFR Stockholders under the procedures specified in Paragraphs (a), (b), (c), (d), (e) and (f) hereof.

(h) Each ROFR Stockholder may, by prior written consent, waive its rights under this Section 2.3. Such a waiver shall be deemed a limited waiver and shall only apply to the extent specifically set forth in the written consent of such ROFRR Stockholder.

(i) This Section 2.3 and the rights and obligations of the parties hereunder shall automatically terminate on the consummation of a Qualified Public Offering.

2.4 Filing of Reports Under the Exchange Act.

(a) The Corporation shall give prompt notice to the holders of Preferred Stock of (i) the filing of any registration statement (an "Exchange Act Registration Statement") pursuant to the Exchange Act, relating to any class of equity securities of the Corporation, (ii) the effectiveness of such Exchange Act Registration Statement, and (iii) the number of shares of such class of equity securities outstanding, as reported in such Exchange Act Registration Statement, in order to enable the Stockholders to comply with any reporting requirements under the Exchange Act or the Securities Act. Upon the written request of the Majority Investors, the Corporation shall, at any time after the Corporation has already registered shares of Common Stock under the Securities Act file an Exchange Act Registration Statement relating to any class of equity securities of the Corporation or issuable upon conversion or exercise of any class of debt or equity securities or warrants or options of the Corporation then held by the Series A-1 Stockholders, whether or not the class of equity securities with respect to which such request is made shall be held by the number of persons which would require the filing of a registration statement under Section 12(g)(I) of the Exchange Act.

(b) If the Corporation shall have filed an Exchange Act Registration Statement or a registration statement (including an offering circular under Regulation A promulgated under the Securities Act) pursuant to the requirements of the Securities Act, which shall have become effective (and in any event, at all times following the initial public offering of any of the securities of the Corporation), then the Corporation shall comply with all other reporting requirements of the Exchange Act (whether or not it shall be required to do so) and shall comply with all other public information reporting requirements of the Commission as a condition to the availability of an exemption from the Securities Act for the sale of any of the Restricted Stock by any holder of Restricted Stock or the sale of any of the Series A-1 Stock by any holder of Series A-1 Stock (including any such exemption pursuant to Rule 144 or Rule 144A thereof, as amended from time to time, or any successor rule thereto or otherwise). The Corporation shall cooperate with each holder of Registrable Securities in supplying such information as may be necessary for such holder to complete and file any information reporting forms presently or hereafter required by the Commission as a condition to the availability of an exemption from the Securities Act (under Rule 144 or Rule 144A thereunder or otherwise) for the sale of any Registrable Securities.

2.5 Directors' & Officers' Insurance. The Corporation shall continue to maintain a directors' and officers' liability insurance policy covering all directors, observers and executive officers of the Corporation.

2.6 Properties and Business Insurance. The Corporation shall continue to maintain from responsible and reputable insurance companies or associations valid policies of insurance against such casualties, contingencies and other risks and hazards and of such types and in such amounts as is customary for similarly situated businesses.

2.7 Preservation of Corporate Existence. The Corporation shall preserve and maintain its corporate existence, rights, franchises and privileges in the jurisdiction of its incorporation, and qualify and remain qualified as a foreign corporation in each jurisdiction

in which (i) such qualification is necessary or desirable in view of its business and operations or the ownership or lease of its properties or (ii) the failure to so qualify would have a material adverse effect on the business, properties, assets or condition (financial or otherwise) of the Corporation.

2.8 Compliance with Laws. The Corporation shall comply with all applicable laws, rules, regulations, requirements and orders of the United States or any applicable foreign jurisdiction in the conduct of its business including, without limitation, all labor, employment, wage and hour, health and safety, environmental, health insurance, health information security, privacy, data protection and data transfer laws, and shall adopt and monitor policies and procedures designed to comply with all such applicable laws, rules, regulations and orders, except where noncompliance would not have a material adverse effect on the business, properties, assets or condition (financial or otherwise) of the Corporation.

2.9 Payment of Taxes. The Corporation will pay and discharge all lawful Taxes (as defined below) before such Taxes shall become in default and all lawful claims for labor, materials and supplies which, if not paid when due, might become a lien or charge upon its property or any part thereof; provided, however, that the Corporation shall not be required to pay and discharge any such Tax, assessment, charge, levy or claim so long as the validity thereof is being contested by or for the Corporation in good faith by appropriate proceedings and an adequate reserve therefore has been established on its books. The term "Tax" (and, with correlative meaning, "Taxes") means all United States federal, state and local, and all foreign, income, profits, franchise, gross receipts, payroll, transfer, sales, employment, use, property, excise, value added, ad valorem, estimated, stamp, alternative or add-on minimum, recapture, environmental, withholding and any other taxes, charges, duties, impositions or

assessments, together with all interest, penalties, and additions imposed on or with respect to such amounts, or levied, assessed or imposed against the Corporation.

2.10 Management Compensation. The Board of Directors (upon the recommendation of the Compensation Committee or otherwise) shall determine the compensation to be paid by the Corporation to its management. Any grants of capital stock or options to employees, officers, directors or consultants of the Corporation and its Subsidiaries shall be made pursuant to the Plan.

2.11 No Further Pay-to-Play Provisions. The Corporation hereby covenants and agrees that at no time after the date of this Agreement, without the prior written consent of each of Wellcome, one member of the HCV Group, one member of the MPM Group, one member of the Brookside Group, one member of the BB Bio Group, and one member of the Oxford/Saints Group, shall it enter into any agreement or amend the Certificate to implement terms that would automatically convert Preferred Shares into shares of Common Stock, or impose any other penalty on the holder of Preferred Shares, solely because the holders of such Preferred Shares fail to participate at any level in a transaction pursuant to which the Corporation raises funds through the issuance of debt or equity securities (other than any Closing contemplated by the Stock Purchase Agreement).

2.12 Confidentiality, Assignment of Inventions and Non-Competition Agreements for Key Employees. The Corporation shall cause each person who becomes an employee of or a consultant to the Corporation subsequent to the date hereof, and who shall have or be proposed to have access to confidential or proprietary information of the Corporation, to execute a confidentiality, assignment of inventions, and non-competition agreement in form and substance attached hereto as Exhibit A or otherwise approved by the Board prior to the commencement of such person' s employment by the Corporation in such capacity.

2.13 Duration of Section. Sections 2.5 through 2.12 and the rights and obligations of the parties hereunder shall automatically terminate on the earlier of (i) the consummation of an Event of Sale (as defined in the Certificate) or (ii) the automatic conversion of all of the Preferred Stock of the Corporation pursuant to the terms and conditions of the Certificate upon the listing, or the admitting for trading, of the Common Stock on a national securities exchange.

SECTION 3. Transfer of Securities.

3.1 Restriction on Transfer. The Series A-1 Preferred Stock, Series A-2 Preferred Stock, the Series A-3 Preferred Stock and the Restricted Stock shall not be transferable, except upon the conditions specified in this Section 3, which conditions are intended solely to ensure compliance with the provisions of the Securities Act in respect of the Transfer thereof. In addition, no Series A-1 Preferred Stock, Series A-2 Preferred Stock, the Series A-3 Preferred Stock or Restricted Stock shall be transferred unless, as conditions precedent to such transfer, the transferee thereof agrees in writing to be bound by the obligations of the transferring Stockholder hereunder.

3.2 Restrictive Legend. Each certificate evidencing any Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock and Restricted Stock and each certificate evidencing any such securities issued to subsequent transferees of any Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock and Restricted Stock shall (unless otherwise permitted by the provisions of Section 3.3 or 3.10 hereof) be stamped or otherwise imprinted with a legend in substantially the following form:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAW. THE SECURITIES MAY NOT BE PLEDGED, HYPOTHECATED, SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAW OR AN EXEMPTION THEREFROM UNDER SUCH ACT OR LAW.

3.3 Notice of Transfer. By acceptance of any Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock, the holder thereof agrees to give prior written notice to the Corporation of such holder' s intention to effect any Transfer and to comply in all other respects with the provisions of this Section 3.3. Each such notice shall describe the manner and circumstances of the proposed Transfer and shall be accompanied by: (a) the written opinion of counsel for the holder of such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock, or, at such holder' s option, a representation letter of such holder, addressed to the Corporation (which opinion and counsel, or representation letter, as the case may be, shall be reasonably acceptable to the Corporation), as to whether, in the case of a written opinion, in the opinion of such counsel such proposed Transfer involves a transaction requiring registration of such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock under the Securities Act and applicable state securities laws or an exemption thereunder is available, or, in the case of a representation letter, such letter sets forth a factual basis for concluding that such proposed transfer involves a transaction requiring registration of such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock under the Securities Act and applicable state securities laws or that an exemption thereunder is available, or (b) if such registration is required and if the provisions of Section 3.4 hereof are applicable, a written request addressed to the Corporation by the holder of such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock, describing in detail the proposed method of disposition and requesting the Corporation to effect the registration of such Registrable Shares pursuant to the terms and provisions of Section 3.4 hereof; provided, however, that (y) in the case of a Transfer by a holder to a member of such holder' s Group, no such opinion of counsel or representation letter of the holder shall be necessary, provided that the transferee agrees in writing to be subject to Sections 3.1, 3.2, 3.3, 3.10 hereof to the same extent as if such transferee were originally a signatory to this Agreement, and (z) in the case of any holder of Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock that is a partnership, no such opinion of counsel or representation letter of the holder shall be necessary for a Transfer by such holder to a partner of such holder, or a retired partner of such holder who retires after the date hereof, or the estate of any such partner or retired partner if, with respect to such Transfer by a partnership, (i) such Transfer is made in accordance with the partnership agreement of such partnership, and (ii) the transferee agrees in writing to be subject to the terms of Sections 3.1, 3.2, 3.3, 3.10 hereof to the same extent as if such transferee were originally a signatory to this Agreement. If in an opinion of counsel or as reasonably concluded from the facts set forth in the representation letter of the holder (which opinion and counsel or representation letter, as the case may be, shall be reasonably acceptable to the Corporation), the proposed Transfer may be effected without registration under the Securities Act and any applicable state securities laws or "blue sky" laws, then the holder of Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock shall thereupon be entitled to effect such Transfer in accordance with the terms of the notice delivered by it to the Corporation. Each certificate or other instrument evidencing the securities issued upon such Transfer (and each certificate or other instrument evidencing any such securities not Transferred) shall bear

the legend set forth in Section 3.2 hereof unless: (a) in such opinion of such counsel or as can be concluded from the representation letter of such holder (which opinion and counsel or representation letter shall be reasonably acceptable to the

Corporation) the registration of future Transfers is not required by the applicable provisions of the Securities Act and state securities laws, or (b) the Corporation shall have waived the requirement of such legend; provided, however, that such legend shall not be required on any certificate or other instrument evidencing the securities issued upon such Transfer in the event such transfer shall be made in compliance with the requirements of Rule 144 (as amended from time to time or any similar or successor rule) promulgated under the Securities Act. The holder of Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock shall not effect any Transfer until such opinion of counsel or representation letter of such holder has been given to and accepted by the Corporation (unless waived by the Corporation) or, if applicable, until registration of the Registrable Shares involved in the above-mentioned request has become effective under the Securities Act. In the event that an opinion of counsel is required by the registrar or transfer agent of the Corporation to effect a transfer of Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock in the future, the Corporation shall seek and obtain such opinion from its counsel, and the holder of such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock shall provide such reasonable assistance as is requested by the Corporation (other than the furnishing of an opinion of counsel) to satisfy the requirements of the registrar or transfer agent to effectuate such transfer. Notwithstanding anything to the contrary herein, the provisions of this Section 3.3 and of Sections 3.1 and 3.2 shall not apply, and shall be deemed of no force or effect, with respect to shares of capital stock of the Corporation that are subject to a re-sale registration statement under the Securities Act, provided that such registration statement has been declared, and continues to remain, effective by the Commission.

3.4 Registration Rights.

(a) Shelf Registration.

(i) On or prior to the Filing Date, the Corporation shall prepare and file with the Commission a Registration Statement covering the resale of all of the Registrable Shares for an offering to be made on a continuous basis pursuant to Rule 415. The Registration Statement shall be on Form S-1 or another appropriate form in accordance herewith and shall contain (unless otherwise directed by Holders of at least 85% of the then outstanding Registrable Shares) substantially the "Plan of Distribution" attached hereto as Annex A. Subject to the terms of this Agreement, the Corporation shall use its reasonable best efforts to cause such Registration Statement to be declared effective under the Securities Act as promptly as possible after the filing thereof, but in any event on or prior to the Effectiveness Date, and shall use its reasonable best efforts to keep the Registration Statement continuously effective (whether on Form S-1 or amended to Form S-3 or another appropriate form in accordance herewith) under the Securities Act until all Registrable Shares have been sold, or may be sold without volume restrictions pursuant to Rule 144, as determined by the counsel to the Corporation pursuant to a written opinion letter to such effect, addressed and acceptable to the transfer agent of the Corporation and the affected Holders (the "Effectiveness Period"). The Corporation shall telephonically request effectiveness of the Registration Statement as of 5:00 p.m. New York City time on a day during which the public markets are open for trading stocks (a "Trading Day"). The Corporation shall immediately notify the Holders via facsimile or by e-mail delivery of a ".pdf" format data file of the effectiveness of the Registration Statement on the same Trading Day that the Corporation telephonically confirms effectiveness with the Commission, which shall be the date requested for effectiveness of the Registration Statement. The Corporation shall, by 9:30 a.m. New York City time on the Trading Day after the Effective Date, file a final Prospectus with the Commission as required by Rule 424. Failure to so notify the Holder within 1 Trading Day of such notification of effectiveness or failure to file a final Prospectus as foresaid shall be deemed an Event under Section 3.4(b).

(ii) If: (A) the Registration Statement is not filed on or prior to the Filing Date or has not been declared effective by the Commission by the Effectiveness Date, or (B) the Corporation fails to file with the Commission a request for acceleration in accordance with Rule 461 promulgated under the Securities Act, within 5 Trading Days of the date that the Corporation is notified (orally or in writing, whichever is earlier) by the Commission that a Registration Statement will not be "reviewed" or not be subject

to further review, or (C) prior to the Effectiveness Date of a Registration Statement, the Corporation fails to file a pre-effective amendment and otherwise respond in writing to comments made by the Commission in respect of such Registration Statement within 14 calendar days after the receipt of comments by or notice from the Commission that such amendment is required in order for such Registration Statement to be declared effective, or (D) after the Effectiveness Date of a Registration Statement, such Registration Statement ceases for any reason to remain continuously effective as to all Registrable Securities included in such Registration Statement, or the Holders are otherwise not permitted to utilize the Prospectus therein to resell such Registrable Securities, for more than 20 consecutive calendar days or more than an aggregate of 40 calendar days during any 12-month period (which need not be consecutive calendar days) (any such failure or breach being referred to as an "Event", and for purposes of clause (A) the date on which such Event occurs, or for purposes of clause (B) the date on which such 5 Trading Day period is exceeded, or for purposes of clause (C) the date which such 14 calendar day period is exceeded, or for purposes of clause (D) the date on which such 20 or 40 calendar day period, as applicable, is exceeded being referred to as an "Event Date"), then, in addition to any other rights the Holders may have hereunder or under applicable law, on each such Event Date and on each monthly anniversary of each such Event Date (if the applicable Event shall not have been cured by such date) until the applicable Event is cured, the Corporation shall pay to each Holder an amount in cash, as partial liquidated damages and not as a penalty, equal to 1% of the aggregate purchase price paid by such Holder pursuant to the Stock Purchase Agreement for any Registrable Securities then held by such Holder. The parties agree that the maximum aggregate liquidated damages payable to a Holder under this Agreement shall be sixteen percent (16%) of the aggregate Purchase Price (as defined in the Stock Purchase Agreement) paid by such Holder pursuant to the Stock Purchase Agreement. If the Corporation fails to pay any partial liquidated damages pursuant to this Section 3.4(b) in full within seven days after the date payable, the Corporation will pay interest thereon at a rate of ten percent (10%) per annum (or such lesser maximum amount that is permitted to be paid by applicable law) to the Holder, accruing daily from the date such partial liquidated damages are due until such amounts, plus all such interest thereon, are paid in full. The partial liquidated damages pursuant to the terms hereof shall apply on a daily pro-rata basis for any portion of a month prior to the cure of an Event.

(iii) In the event that the Corporation is unable for any reason to include in the Registration Statement required to be filed under Section 3.4(a)(i) all of the Registrable Securities, then the Corporation shall use its reasonable best efforts to file and cause to be declared effective additional Registration Statements, in order to uphold its obligations under Section 3.4(a)(i), as promptly as practicable. If not all Registrable Securities may be included in any one Registration Statement, then the Registrable Securities to be included shall be allocated among Holders of such Registrable Securities on a pro rata basis based on the total number of Registrable Securities held by all Holders that have not been included in a Registration Statement.

(b) Registration Procedures. In connection with the Corporation' s registration obligations hereunder, the Corporation shall:

(i) Not less than seven Trading Days prior to the filing of any Registration Statement and not less than two Trading Days prior to the filing of any related Prospectus or any amendment or supplement thereto, (A) furnish to each Holder copies of all such documents proposed to be filed, which documents (other than those incorporated or deemed to be incorporated by reference) will be subject to the review of such Holders, and (B) cause its officers and directors, counsel and

independent certified public accountants to respond to such inquiries as shall be necessary, in the reasonable opinion of respective counsel to each Holder, to conduct a reasonable investigation within the meaning of the Securities Act; and not file a Registration Statement or any such Prospectus or any amendments or supplements thereto to which the Holders of 67% of the Registrable Securities shall reasonably object in good faith, provided that the Corporation is notified of such objection in writing no later than 5 Trading Days after the Holders have been so furnished copies of a Registration Statement or 1 Trading Day after the Holders have been so furnished copies of any related Prospectus or amendments or supplements thereto. Each Holder agrees to furnish to the Corporation a completed questionnaire in the form attached to this Agreement as Annex B or other form reasonably acceptable to the Corporation (a "Selling Stockholder Questionnaire") not less than 2 Trading Days prior to the Filing Date or by the end of the 4th Trading Day following the date on which such Holder receives draft materials in accordance with this Section. During any periods that the Corporation is unable to meet its obligations hereunder with respect to the registration of the Registrable Securities because the Holders of 67% of the Registrable Securities exercise their rights under this section to object to the filing of a Registration Statement, any liquidated damages that are accruing, at such time shall be tolled and any Event that may

otherwise occur because of the exercise of such rights or such delay shall be suspended, until the Holders of 67% of the Registrable Securities no longer object to the filing of such Registration Statement (provided that such tolling shall only occur if the Corporation uses commercially reasonable efforts to resolve such objection). If any Holder fails to furnish its Selling Stockholder Questionnaire related to a particular Registration Statement not less than 2 Trading Days prior to the Filing Date or by the end of the 4th Trading Day following the date on which such Holder receives draft materials in accordance with this Section, any liquidated damages that are accruing, as well as any other rights of such Holder under this Agreement with regard to such Registration Statement, including without limitation, the right to include such Holder' s Registrable Securities in such Registration Statement, shall be tolled as to such Holder until such information is received by the Corporation; provided, however, that the Corporation shall use commercially reasonable efforts to include such Registrable Securities in such Registration Statement or the next most available Registration Statement as soon as possible after such information is furnished to the Corporation.

(ii) (A) Prepare and file with the Commission such amendments, including post-effective amendments, to a Registration Statement and the Prospectus used in connection therewith as may be necessary to keep a Registration Statement continuously effective as to the applicable Registrable Securities for the Effectiveness Period and prepare and file with the Commission such additional Registration Statements in order to register for resale under the Securities Act all of the Registrable Securities; (B) cause the related Prospectus to be amended or supplemented by any required Prospectus supplement (subject to the terms of this Agreement), and as so supplemented or amended to be filed pursuant to Rule 424; (C) respond as promptly as reasonably possible to any comments received from the Commission with respect to a Registration Statement or any amendment thereto and provide as promptly as reasonably possible to the Holders true and complete copies of all correspondence from and to the Commission relating to a Registration Statement (provided that the Corporation may excise any information contained therein which would constitute material non-public information as to any Holder which has not executed a confidentiality agreement with the Corporation); and (D) comply in all material respects with the provisions of the Securities Act and the Exchange Act with respect to the disposition of all Registrable Securities covered by a Registration Statement during the applicable period in accordance (subject to the terms of this Agreement) with the intended methods of disposition by the Holders thereof set forth in such Registration Statement as so amended or in such Prospectus as so supplemented.

(iii) If during the Effectiveness Period, the number of Registrable Securities at any time exceeds 100% of the number of shares of Common Stock then registered in a Registration Statement, file as soon as reasonably practicable an additional Registration Statement covering the resale by the Holders of not less than the number of such Registrable Securities.

(iv) Notify the Holders of Registrable Securities to be sold (which notice shall, pursuant to clauses (C) through (F) hereof, be accompanied by an instruction to suspend the use of the Prospectus until the requisite changes have been made) as promptly as reasonably possible (and, in the case of (A)(1) below, not less than 1 Trading Day prior to such filing, in the case of (C) and (D) below, not more than 1 Trading Day after such issuance or receipt and, in the case of (E) below, not less than 3 Trading Days prior to the financial statements in any Registration Statement becoming ineligible for inclusion therein) and (if requested by any such Person) confirm such notice in writing no later than 1 Trading Day following the day (A)(1) when a Prospectus or any Prospectus supplement or post-effective amendment to a Registration Statement is proposed to be filed; (2) when the Commission notifies the Corporation whether there will be a "review" of such Registration Statement and whenever the Commission comments in writing on such Registration Statement (in which case the Corporation shall provide true and complete copies thereof and all written responses thereto to each of the Holders that pertain to the Holders as a selling stockholder or to the Plan of Distribution, but not information which the Corporation believes would constitute material and non-public information); and (3) with respect to a Registration Statement or any post-effective amendment, when the same has become effective; (B) of any request by the Commission or any other federal or state governmental authority for amendments or supplements to a Registration Statement or Prospectus or for additional information; (C) of the issuance by the Commission or any other federal or state governmental authority of any stop order suspending the effectiveness of a Registration Statement covering any or all of the Registrable Securities or the initiation of any Proceedings for that purpose; (D) of the receipt by the Corporation of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction, or the initiation or threatening of any Proceeding for such purpose; (E) of the occurrence of any event or passage of time that makes the financial statements included in a Registration Statement ineligible for inclusion therein or any statement made in a Registration Statement or Prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or that requires any revisions to a Registration Statement, Prospectus or other documents so that, in the case of a Registration Statement or the Prospectus, as the case may be, it

will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and (F) the occurrence or existence of any pending corporate development with respect to the Corporation that the Corporation believes may be material and that, in the good faith determination of the Corporation, based on the advice of counsel, makes it not in the best interest of the Corporation to allow continued availability of a Registration Statement or Prospectus, provided that any and all of such information shall remain confidential to each Holder until such information otherwise becomes public, unless disclosure by a Holder is required by law; provided, further, that notwithstanding each Holder' s agreement to keep such information confidential, the Holders make no acknowledgement that any such information is material, non-public information.

(v) Use its reasonable best efforts to avoid the issuance of, or, if issued, obtain the withdrawal of (A) any order suspending the effectiveness of a Registration Statement, or (B) any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction, at the earliest practicable moment.

(vi) If requested by a Holder, furnish to such Holder, without charge (A) at least one conformed copy of each such Registration Statement and each amendment thereto, including financial statements and schedules, all documents incorporated or deemed to be incorporated therein by reference to the extent requested by such Person, and all exhibits to the extent requested by such Person (including those previously furnished or incorporated by reference) promptly after the filing of such documents with the Commission, and (B) during the Effectiveness Period, as many copies of the Prospectus included in the Registration Statement and any amendment or supplement thereto as such

Holder may reasonably request; provided, however, that the Corporation shall have no obligation to provide any document pursuant to this clause that is available on the Commission' s EDGAR system.

(vii) Subject to the terms of this Agreement, consent to the use of each Prospectus and each amendment or supplement thereto by each of the selling Holders in connection with the offering and sale of the Registrable Securities covered by such Prospectus and any amendment or supplement thereto, except after the giving of any notice pursuant to Section 3.4(b)(iv).

(viii) Effect a filing with respect to the public offering contemplated by the Registration Statement (an "Issuer Filing") with the Financial Industry Regulatory Authority ("FINRA") Corporate Financing Department pursuant to FINRA Rule 5110 within 1 Trading Day of the date that the Registration Statement is first filed with the Commission and pay the filing fee required by such Issuer Filing; and use commercially reasonable efforts to pursue the Issuer Filing until FINRA issues a letter confirming that it does not object to the terms of the offering contemplated by the Registration Statement.

(ix) Prior to any resale of Registrable Securities by a Holder, use its reasonable best efforts to register or qualify or cooperate with the selling Holders in connection with the registration or qualification (or exemption from the registration or qualification) of such Registrable Securities for the resale by the Holder under the securities or blue sky laws of such jurisdictions within the United States as any Holder reasonably requests in writing, to keep each registration or qualification (or exemption therefrom) effective during the Effectiveness Period and to do any and all other acts or things reasonably necessary to enable the disposition in such jurisdictions of the Registrable Securities covered by a Registration Statement; provided, that the Corporation shall not be required to qualify generally to do business in any jurisdiction where it is not then so qualified, subject the Corporation to any material tax in any such jurisdiction where it is not then so subject or file a general consent to service of process in any such jurisdiction.

(x) If requested by the Holders, cooperate with the Holders to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be delivered to a transferee pursuant to a Registration Statement, which certificates shall be free, to the extent permitted by the Stock Purchase Agreement, of all restrictive legends, and to enable such Registrable Securities to be in such denominations and registered in such names as any such Holders may request. In connection therewith, if required by the Corporation' s transfer agent, the Corporation shall promptly after the effectiveness of a Registration Statement cause an opinion of counsel as to the effectiveness of the Registration Statement to be delivered to and maintained with the transfer agent, together with any other

authorizations, certificates and directions required by the transfer agent, which authorize and direct the transfer agent to issue such Registrable Securities without legend upon sale by the holder of such shares of Registrable Securities under the Registration Statement.

(xi) Upon the occurrence of any event contemplated by this Section 3.4(b), as promptly as reasonably possible under the circumstances taking into account the Corporation' s good faith assessment of any adverse consequences to the Corporation and its stockholders of the premature disclosure of such event, prepare a supplement or amendment, including a post-effective amendment, to a Registration Statement or a supplement to the related Prospectus or any document incorporated or deemed to be incorporated therein by reference, and file any other required document so that, as thereafter delivered, neither a Registration Statement nor Prospectus will contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. If the Corporation notifies and instructs the Holders in accordance with clauses (iii) through (vi) of Section 3.4(b)(iv) above to suspend the use of any Prospectus until the requisite changes to such

Prospectus have been made, then the Holders shall suspend use of such Prospectus; use its reasonable best efforts to ensure that the use of the Prospectus may be resumed as promptly as is practicable; and be entitled to exercise its right under this Section 3.4(b)(xi) to suspend the availability of a Registration Statement and Prospectus, subject to the payment of partial liquidated damages pursuant to Section 3.4(a)(ii), for a period not to exceed 40 calendar days (which need not be consecutive days) in any 12 month period.

(xii) Comply with all applicable rules and regulations of the Commission.

(c) The Corporation may require each selling Holder to furnish to the Corporation a certified statement as to the number of shares of Common Stock beneficially owned by such Holder and any affiliate thereof and as to any FINRA affiliations and, if required by the Commission, of any natural persons that have voting and dispositive control over the Registrable Securities. During any periods that the Corporation is unable to meet its obligations hereunder with respect to the registration of the Registrable Securities solely because any Holder fails to furnish such information within 3 Trading Days of the Corporation' s request, any liquidated damages that are accruing at such time as to such Holder only, as well as any other rights of such Holder under this Agreement, including without limitation, the right to include such Holder' s Registrable Securities in a Registration Statement shall be tolled and any Event that may otherwise occur solely because of such delay shall be suspended as to such Holder only, until such information is delivered to the Corporation; provided, however, that the Corporation shall use commercially reasonable efforts to include such Registrable Securities in such Registration Statement or the next most available Registration Statement as soon as possible after such information is furnished to the Corporation.

3.5 Piggyback Registration.

(a) Each time that the Corporation proposes for any reason to register any of its securities under the Securities Act, other than pursuant to a registration statement on Form S-4, Form S-8 or Form S-1 or similar or successor forms, but in regard to Form S-1 only in connection with the initial public offering of the Corporation' s Common Stock (collectively, "Excluded Forms"), the Corporation shall promptly give written notice of such proposed registration to all holders of Registrable Securities, which notice shall also constitute an offer to such holders to request inclusion of any Registrable Shares in the proposed registration.

(b) Each holder of Registrable Securities shall have 30 days from the receipt of such notice to deliver to the Corporation a written request specifying the number of Registrable Shares such holder intends to sell and the holder' s intended method of disposition.

(c) In the event that the proposed registration by the Corporation is, in whole or in part, an underwritten public offering of securities of the Corporation, any request under Section 3.5(b) may specify that the Registrable Shares be included in the underwriting (i) on the same terms and conditions as the shares of Common Stock, if any, otherwise being sold through underwriters under such registration, or (ii) on terms and conditions comparable to those normally applicable to offerings of common stock in reasonably similar circumstances in the event that no shares of Common Stock other than Registrable Shares are being sold through underwriters under such registration.

(d) Upon receipt of a written request pursuant to Section 3.5(b), the Corporation shall promptly use its best efforts to cause all such Registrable Shares to be registered under the Securities Act, to the extent required to permit sale or disposition as set forth in the written request.

(e) Notwithstanding the foregoing, if the managing underwriter of any such proposed registration determines and advises in writing that the inclusion of all Registrable Shares proposed to be included in the underwritten public offering, together with any other issued and outstanding shares of Common Stock proposed to be included therein by holders other than the holders of Registrable Securities (such other shares hereinafter collectively referred to as the "Other Shares") would interfere with the successful marketing of the Corporation' s securities, then the total number of such securities proposed to be included in such underwritten public offering shall be reduced, (i) first by the shares requested to be included in such registration by the holders of Other Shares, (ii) second, if necessary by all Registrable Securities which are not Series A-2 Registrable Securities, Series A-3 Registrable Securities or Series A-1 Registrable Securities, and (iii) third, if necessary, (A) one-half (1/2) by the securities proposed to be issued by the Corporation, and (B) one-half (1/2) by the holders of Series A-2 Registrable Shares, Series A-3 Registrable Shares and/or Series A-1 Registrable Shares proposed to be included in such registration by the holders thereof, on a pro rata basis calculated based upon the number of Registrable Shares, Series A-2 Registrable Shares, Series A-3 Registrable Shares or Series A-1 Registrable Shares sought to be registered by each such holder; provided, that the aggregate number of securities proposed to be included in such registration by the holders of Series A-2 Registrable Shares, Series A-3 Registrable Shares and/or Series A-1 Registrable Shares shall only be reduced hereunder if and to the extent that such securities exceed twenty-five percent (25%) of the aggregate number of securities included in such registration. The shares of Common Stock that are excluded from the underwritten public offering pursuant to the preceding sentence shall be withheld from the market by the holders thereof for a period, not to exceed 90 days from the closing of such underwritten public offering, that the managing underwriter reasonably determines as necessary in order to effect such underwritten public offering.

3.6 Registrations on Form S-3. At such time as the Registration Statement contemplated by Section 3.4 shall no longer be effective, each holder of Registrable Securities shall have the right to request in writing an unlimited number of registrations on Form S-3. Each such request by a holder shall: (a) specify the number of Registrable Shares which the holder intends to sell or dispose of, (b) state the intended method by which the holder intends to sell or dispose of such Registrable Shares, and (c) request registration of Registrable Shares having a proposed aggregate offering price of at least $1,000,000. Upon receipt of an adequate request pursuant to this Section 3.6, the Corporation shall use its best efforts to effect such registration or registrations on Form S-3.

3.7 Preparation and Filing. If and whenever the Corporation is under an obligation pursuant to the provisions of Sections 3.5 and/or 3.6 to use its best efforts to effect the registration of any Registrable Shares, the Corporation shall, as expeditiously as practicable:

(a) prepare and file with the Commission a registration statement with respect to such securities and use its best efforts to cause such registration statement to become and remain effective in accordance with Section 3.7(b) hereof;

(b) prepare and file with the Commission such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective until the earlier of (i) the sale of all Registrable Shares covered thereby or (ii) nine months from the date such registration statement first becomes effective, and to comply with the provisions of the Securities Act with respect to the sale or other disposition of all Registrable Shares covered by such registration statement;

(c) furnish to each holder whose Registrable Shares are being registered pursuant to this Section 3 such number of copies of any summary prospectus or other prospectus, including a preliminary prospectus, in conformity with the requirements of

the Securities Act, and such other documents as such holder may reasonably request in order to facilitate the public sale or other disposition of such Registrable Shares;

(d) use its best efforts to register or qualify the Registrable Shares covered by such registration statement under the securities or blue sky laws of such jurisdictions as each holder whose Registrable Shares are being registered pursuant to this Section 3 shall reasonably request, and do any and all other acts or things which may be necessary or advisable to enable such holder to consummate the public sale or other disposition in such jurisdictions of such Registrable Shares; provided, however, that the Corporation shall not be required to consent to general service of process for all purposes in any jurisdiction where it is not then subject to process, qualify to do business as a foreign corporation where it would not be otherwise required to qualify or submit to liability for state or local taxes where it is not otherwise liable for such taxes;

(e) at any time when a prospectus covered by such registration statement and relating thereto is required to be delivered under the Securities Act within the appropriate period mentioned in Section 3.7(b) hereof, notify each holder whose Registrable Shares are being registered pursuant to this Section 3 of the happening of any event as a result of which the prospectus included in such registration, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing and, at the request of such holder, prepare, file and furnish to such holder a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such shares, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing;

(f) if the Corporation has delivered preliminary or final prospectuses to the holders of Registrable Shares that are being registered pursuant to this Section 3 and after having done so the prospectus is amended to comply with the requirements of the Securities Act, the Corporation shall promptly notify such holders and, if requested, such holders shall immediately cease making offers of Registrable Shares and return all prospectuses to the Corporation. The Corporation shall promptly provide such holders with revised prospectuses and, following receipt of the revised prospectuses, such holders shall be free to resume making offers of the Registrable Shares; and

(g) furnish, at the request of any holder whose Registrable Shares are being registered pursuant to this Section 3, on the date that such Registrable Shares are delivered to the underwriters for sale in connection with a registration pursuant to this Section 3 if such securities are being sold through underwriters, or on the date that the registration statement with respect to such securities becomes effective if such securities are not being sold through underwriters, (i) an opinion, dated such date, of the counsel representing the Corporation for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering, addressed to the underwriters, if any, and to the holder or holders making such request, and (ii) a letter dated such date, from the independent certified public accountants of the Corporation, in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering, addressed to the underwriters, if any, and to the holder or holders making such request.

3.8 Expenses. The Corporation shall pay all expenses incurred by the Corporation in complying with this Section 3, including, without limitation, all registration and filing fees (including

all expenses incident to filing with the FINRA), fees and expenses of complying with the securities and blue sky laws of all such jurisdictions in which the Registrable Shares are proposed to be offered and sold, printing expenses and fees and disbursements of counsel (including with respect to each registration effected pursuant to Sections 3.4, 3.5 and 3.6, the reasonable fees and disbursements of a counsel for the holders of Registrable Shares that are being registered pursuant to this Section 3, such counsel for the holders of Registrable Shares shall be designated by a vote of a majority of the holders of Registrable Shares to be included in such registration, determined in accordance with Article III, Section A.6(a) of the Certificate); provided, however, that all underwriting discounts and selling commissions applicable to the Registrable

Shares covered by registrations effected pursuant to Section 3.4, 3.5 or 3.6 hereof shall be borne by the seller or sellers thereof, in proportion to the number of Registrable Shares sold by each such seller or sellers.

3.9 Indemnification.

(a) In the event of any registration of any Registrable Shares under the Securities Act pursuant to this Section 3 or registration or qualification of any Registrable Shares pursuant to Section 3.7(d) hereof, the Corporation shall indemnify and hold harmless the seller of such shares, each underwriter of such shares, if any, each broker or any other person acting on behalf of such seller and each other person, if any, who controls any of the foregoing persons, within the meaning of the Securities Act, against any losses, claims, damages or liabilities, joint or several, to which any of the foregoing persons may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any registration statement under which such Registrable Shares were registered under the Securities Act, any preliminary prospectus or final prospectus contained therein, or any amendment or supplement thereto, or any document incident to registration or qualification of any Registrable Shares pursuant to Section 3.7(d) hereof or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading or, with respect to any prospectus, necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or any violation by the Corporation of the Securities Act or any state securities or blue sky laws applicable to the Corporation and relating to action or inaction required of the Corporation in connection with such registration or qualification under the Securities Act or such state securities or blue sky laws. The Corporation shall reimburse on demand such seller, underwriter, broker or other person acting on behalf of such seller and each such controlling person for any legal or any other expenses reasonably incurred by any of them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the Corporation shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in said registration statement, preliminary or final prospectus or amendment or supplement thereto or any document incident to registration or qualification of any Registrable Shares pursuant to Section 3.7(d) hereof, in reliance upon and in conformity with written information furnished to the Corporation by such seller, underwriter, broker, other person or controlling person specifically for use in the preparation hereof.

(b) Before Registrable Shares held by any prospective seller shall be included in any registration pursuant to this Section 3, such prospective seller and any underwriter acting on its behalf shall have agreed to indemnify and hold harmless (in the same manner and to the same extent as set forth in paragraph (a)) the Corporation, each director of the Corporation, each officer of the Corporation who signs such registration statement and any person who controls the Corporation within the meaning of the Securities Act, with respect to any untrue statement or omission from such registration statement, any preliminary prospectus or final prospectus contained therein, or any amendment or supplement thereto, if such untrue statement or omission was made in reliance upon and in conformity

with written information furnished to the Corporation through an instrument duly executed by such seller or such underwriter specifically for use in the preparation of such registration statement, preliminary prospectus, final prospectus or amendment or supplement; provided, however, that the maximum amount of liability in respect of such indemnification shall be limited, in the case of each prospective seller, to an amount equal to the net proceeds actually received by such prospective seller from the sale of Registrable Shares effected pursuant to such registration.

(c) Promptly after receipt by an indemnified party of notice of the commencement of any action involving a claim referred to in Section 3.9(a) or (b) hereof, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 3.9, give written notice to the latter of the commencement of such action. In case any such action is brought against an indemnified party, the indemnifying party will be entitled to participate in and to assume the defense thereof jointly with any other indemnifying party similarly notified to the extent that it may wish, with counsel reasonably satisfactory to such indemnified party, and, after notice to such indemnified party from the indemnifying party of its election to assume the defense thereof, the indemnifying party shall be responsible for any legal or other expenses subsequently incurred by such indemnifying party in connection with the defense thereof; provided, however, that, if any indemnified party shall have reasonably concluded that there may be one or more legal defenses available to

such indemnified party which are different from or additional to those available to the indemnifying party, or that such claim or litigation involves or could have an effect upon matters beyond the scope of the indemnity agreement provided in this Section 3.9, the indemnifying party shall not have the right to assume the defense of such action on behalf of such indemnified party, and such indemnifying party shall reimburse such indemnified party and any person controlling such indemnified party for the fees and expenses of counsel retained by the indemnified party which are reasonably related to the matters covered by the indemnity agreement provided in this Section 3.9. The indemnifying party shall not make any settlement of any claims in respect of which it is obligated to indemnify an indemnified party or parties hereunder, without the written consent of the indemnified party or parties, which consent shall not be unreasonably withheld.

(d) In order to provide for just and equitable contribution to joint liability under the Securities Act, in any case in which either (i) any holder of Registrable Shares exercising rights under this Agreement, or any controlling person of any such holder, makes a claim for indemnification pursuant to this Section 3.9, but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case notwithstanding the fact that this Section 3.9 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any such holder or any such controlling person in circumstances for which indemnification is provided under this Section 3.9; then, in each such case, the Corporation and such holder will contribute to the aggregate losses, claims, damages or liabilities to which they may be subject as is appropriate to reflect the relative fault of the Corporation and such holder in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities, it being understood that the parties acknowledge that the overriding equitable consideration to be given effect in connection with this provision is the ability of one party or the other to correct the statement or omission which resulted in such losses, claims, damages or liabilities, and that it would not be just and equitable if contribution pursuant hereto were to be determined by pro rata allocation or by any other method of allocation which does not take into consideration the foregoing equitable considerations. Notwithstanding the foregoing, (i) no such holder will be required to contribute any amount in excess of the proceeds to it of all Registrable Shares sold by it pursuant to such registration statement, and (ii) no person or entity guilty of fraudulent misrepresentation, within the meaning of Section 11(f) of the Securities Act, shall be entitled to contribution from any person or entity who is not guilty of such fraudulent misrepresentation.

(e) Notwithstanding any of the foregoing, if, in connection with an underwritten public offering of any Registrable Shares, the Corporation, the holders of such Registrable Shares and the underwriters enter into an underwriting or purchase agreement relating to such offering which contains provisions covering indemnification among the parties, then the indemnification provision of this Section 3.9 shall be deemed inoperative for purposes of such offering.

3.10 Removal of Legends, Etc. Notwithstanding the foregoing provisions of this Section 3, the restrictions imposed by this Section 3 upon the transferability of any Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock shall cease and terminate when (a) any such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock are sold or otherwise disposed of in accordance with the intended method of disposition by the seller or sellers thereof set forth in a registration statement or such other method contemplated by Section 3.3 hereof that does not require that the securities transferred bear the legend set forth in Section 3.2 hereof, including a Transfer pursuant to Rule 144 or a successor rule thereof (as amended from time to lime), or (b) the holder of Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock has met the requirements for transfer of such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock pursuant to subparagraph (b)(1) of Rule 144 or a successor rule thereof (as amended from time to time) promulgated by the Commission under the Securities Act. Whenever the restrictions imposed by this Section 3 have terminated, a holder of a certificate for Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock as to which such restrictions have terminated shall be entitled to receive from the Corporation, without expense, a new certificate not bearing the restrictive legend set forth in Section 3.2 hereof and not containing any other reference to the restrictions imposed by this Section 3. Notwithstanding the above, nothing herein shall limit the restrictions imposed upon transfer of the Restricted Securities pursuant to Section 8 hereof nor the imposition of the legend provided for therein.

3.11 Lock-up Agreement.

(a) Each Stockholder agrees that, during the 180-day period following the date hereof, such Stockholder will not, without the prior written consent of the Company, sell, assign, transfer, make a short sale of, loan, grant any option for the purchase of, or exercise registration rights with respect to any shares of Common Stock or shares of capital stock or other securities of the Corporation convertible into or exercisable for, whether directly or indirectly, shares of Common Stock, other than to a member of such Stockholder' s Group; provided, however, that notwithstanding the foregoing but subject to the provisions of Section 3.11(b) below, (i) on or at any time after each of the dates listed in the table below under the caption "Initial Lock-up Release Date", such Stockholder shall be permitted to sell, assign, transfer, make a short sale of, loan, or grant any option for the purchase of, with respect to that number of shares of Common Stock issued or issuable upon conversion of shares of Series A-1 Conversion Shares (the "Series A-1 Conversion Shares") held or issuable to such Stockholder that corresponds to a percentage of the total number of Series A-1 Conversion Shares held or issuable to such Stockholder at such time, which percentage is set forth in the table below under the caption "Initial Lock-up Release Percentage".

Initial Lock-up Release Date	Initial Lock-up Release Percentage
30th day after the date of this Agreement	5%
60th day after the date of this Agreement	15%
90th day after the date of this Agreement	30%
120th day after the date of this Agreement	50%

(b) Notwithstanding the foregoing, (A) subject to clause (C) below, the restriction on transfer set forth in Section 3.11(a) above shall not apply to block trades of 10,000 shares or more of the Series A-1 Conversion Shares, (B) subject to clause (C) below, if, on or at any time after any date listed in the table set forth in Section 3.11(a) above, the average of the closing bid and ask price of the Company' s Common Stock if quoted on any electronic quotation system, including but not limited to the OTC:BB for the five (5) trading days ending on such date, or the average last-sale price of the Company' s Common Stock if listed on a national securities exchange for the five (5) trading days ending on such date, is greater than $16.29 per share (subject to proportionate and equitable adjustment upon any stock split, stock dividend, reverse stock split or similar event that becomes effective after the date of this Agreement), the percentage in the table set forth in Section 3.11(a) above that corresponds to such date shall be doubled and (C) in no event shall any Stockholder be permitted, during the period commencing on the date hereof and ending on the date of the listing of the Company' s Common Stock on a national securities exchange, to sell, assign, transfer, make a short sale of, loan, grant any option for the purchase of, or exercise registration rights with respect to any Series A-1 Conversion Shares for a price less than $8.142 (subject to proportionate and equitable adjustment upon any stock split, stock dividend, reverse stock split or similar event that becomes effective after the date of this Agreement), except (x) with the prior written consent of the Company or (y) to a member of such Stockholder' s Group.

(c) Each Stockholder agrees further that, if the Company or a managing underwriter so requests of such Stockholder in connection with a registered public offering of securities of the Company, such Stockholder will not, without the prior written consent of the Company or such underwriters, sell, assign, transfer, make a short sale of, loan, grant any option for the purchase of, or exercise registration rights with respect to any shares of Common Stock or shares of capital stock or other securities of the Corporation convertible into or exercisable for, whether directly or indirectly, shares of Common Stock, other than to a member of such Stockholder' s Group, during the period of (i)180 days following the closing of the first public offering of securities offered and sold for the account of the Corporation that is registered under the Securities Act, or (ii) 90 days following the closing of any other public offering of securities offered and sold for the account of the Corporation that is registered under the Securities Act ; provided that such request is made of all officers, directors and 1% and greater Stockholders and each such person shall be similarly bound; and, provided, further, that nothing in this Section 3.11(c) shall prevent any Stockholder from participating in any registered public offering of the Corporation as a selling stockholder or security holder.

(d) In the event that the Corporation releases or causes to be released any Stockholder from any restrictions on transfer set forth in the foregoing provisions of this Section 3.11, the Corporation shall release or cause to be released all other Stockholders in similar fashion and any such release of all Stockholders shall be implemented on a pro rata basis.

3.12 Duration of Section. With respect to each holder of Registrable Shares, Sections 3.4, 3.5 and 3.6 shall automatically terminate for that holder on the fourth anniversary of the Filing Date.

SECTION 4. Election of Directors.

4.1 Voting for Directors. At the first annual meeting of the Stockholders of the Corporation after the Stage I Closing, and thereafter at each annual meeting and each special meeting of the Stockholders of the Corporation called for the purposes of electing directors of the Corporation, and at any time at which Stockholders of the Corporation shall have the right to, or shall, vote or consent to the election of directors, then, in each such event, each Stockholder shall vote all shares of Preferred Stock, Common Stock and any other shares of voting stock of the Corporation then owned (or controlled as to voting rights) by it, him or her, whether by purchase, exercise of rights, warrants or options, stock dividends or otherwise:

(a) to fix and maintain the number of directors on the Board at seven (7);

(b) to the extent entitled under the Certificate as in effect as of the date of this Agreement, to elect as Directors of the Corporation on the date hereof and in any subsequent election of Directors the following individuals:

(i) in the case of the two (2) directors to be elected by the holders of Series A-1 Preferred Stock under the Certificate, two (2) individuals to be designated by the affirmative vote or written consent of the holders of a majority of the outstanding shares of Series A-1 Preferred Stock (the "Series A-1 Directors"), who shall initially be Ansbert Gadicke and Martin Muenchbach.

(ii) in the case of the one (1) director to be elected by the G3 Holders (as defined in the Certificate), one (1) director to be designated by the affirmative vote or written consent of those G3 Holders holding a majority of the shares held by the G3 Holders (the "Specified Preferred Director"), who shall initially be Jonathan Fleming, provided, however, that in order to be eligible to vote or consent with respect to the designation of an individual as a nominee for election as the Specified Preferred Director, a G3 Holder together with members of such G3 Holders' Group must hold greater than twenty percent (20%) of the Preferred Stock purchased under the Series A-1 Stock Purchase Agreement by such G3 Holder and members of such G3 Holders' Group;

(iii) in the case of the one (1) director to be elected by MPM, one (1) director to be designated by the affirmative vote or written consent of MPM, provided that such director be an individual with particular expertise in the development of pharmaceutical products, as reasonably determined by MPM, if any (the "Industry Expert Director" and together with the Series A-1 Directors and the Specified Preferred Director, the "Investor Directors"), who shall initially be Elizabeth Stoner, provided, further, however, that in order to be eligible to vote or consent with respect to the designation of an individual as a nominee for election as the Industry Expert Preferred Director, MPM together with members of the MPM Group must hold greater than twenty percent (20%) of the Preferred Stock purchased under the Series A-1 Stock Purchase Agreement by MPM and members of the MPM Group.

(iv) in the case of the remaining directors to be elected by the holders of Preferred Stock and Common Stock, voting together as a single class, under the Certificate, three (3) individuals as follows:

a. two industry or market experts, each of whom shall be designated by a majority of the other members of the Board, including a majority of the Investor Directors (the "Independent Directors"), and who shall initially be Alan Auerbach and Kurt Graves; and

b. the Chief Executive Officer of the Corporation, who shall initially be Richard Lyttle.

4.2 Observer Rights.

(a) HCV VII shall have the right to appoint an observer to the Board (the "HCV Observer") as long as HCV VII, together with members of the HCV Group, holds greater than seventy five percent (75%) of the Series A-1 Preferred Stock originally purchased by HCV VII and members of the HCV Group pursuant to the Purchase Agreement. The HCV Observer shall have the right to attend all meetings of the Board in a non-voting observer capacity, and the Corporation shall provide to the HCV Observer all materials provided to the members of the Board and notice of such meetings, all in the manner and at the time provided to the members of the Board; provided, however, that the Corporation reserves the right to exclude such representatives from access to any material or meeting or portion thereof if the Corporation believes upon advice of counsel that such exclusion is necessary to preserve the attorney-client privilege or to protect highly confidential information, the disclosure of which should not be made to any person who does not have a fiduciary or other similar duty to the Corporation. The decision of the Board with respect to the privileged or confidential nature of such information shall be final and binding. HCV VII' s rights under this Section 4.2(a) may only be assigned in connection with the transfer of all of the Preferred Stock held by HCV VII to the assignee. In addition and without limiting the foregoing, in the event that HCV VII appoints any person to be the HCV Observer under this Section 4.2(a) who, in the good faith determination of the Board, has conflicting interests with the Corporation, then the Corporation shall have the right, at any time and from time to time, to exclude the HCV Observer from access to any meeting, or any portion thereof, and/or deny the HCV Observer access to any information and documents, or any portions thereof.

(b) Saints Capital IV, L.P. ("Saints") shall have the right to appoint an observer to the Board (the "Saints Observer") as long as Saints, together with other members of the Saints/Oxford Group, holds greater than seventy-five percent (75%) of the Series A-1 Preferred Stock originally purchased by Saints and the other member of the Saints/Oxford Group pursuant to the Purchase Agreement. The Saints Observer shall have the right to attend all meetings of the Board in a non-voting observer capacity, and the Corporation shall provide to the Saints Observer all materials provided to the members of the Board and notice of such meetings, all in the manner and at the time provided to the members of the Board; provided, however, that the Corporation reserves the right to exclude such representatives from access to any material or meeting or portion thereof if the Corporation believes upon advice of counsel that such exclusion is necessary to preserve the attorney-client privilege or to protect highly confidential information, the disclosure of which should not be made to any person who does not have a fiduciary or other similar duty to the Corporation. The decision of the Board with respect to the privileged or confidential nature of such information shall be final and binding. Saints' rights under this Section 4.2(b) may only be assigned in connection with the transfer of all of the Preferred Stock held by Saints to the assignee. In addition and without limiting the foregoing, in the event that Saints appoints any person to be the Saints Observer under this Section 4.2(b) who, in the good faith determination of the Board, has conflicting interests with the Corporation, then the Corporation shall have the right, at any time and from time to time, to exclude the Saints Observer from access to any meeting, or any portion thereof, and/or deny the Saints Observer access to any information and documents, or any portions thereof.

(c) Brookside shall have the right to appoint an observer to the Board (the "Brookside Observer") as long as Brookside, together with other members of the Brookside Group, holds greater than seventy-five percent (75%) of the Series A-1 Preferred Stock originally purchased by Brookside and the other member of the Brookside Group pursuant to the Purchase Agreement. The Brookside Observer shall have the right to attend all meetings of the Board in a non-voting observer

capacity, and the Corporation shall provide to the Brookside Observer all materials provided to the members of the Board and notice of such meetings, all in the manner and at the time provided to the members of the Board; provided, however, that the Corporation reserves the right to exclude such representatives from access to any material or meeting or portion thereof if the Corporation believes upon advice of counsel that such exclusion is necessary to preserve the attorney-client privilege or to protect highly confidential information, the disclosure of which should not be made to any person who does not have a fiduciary or other similar duty to the Corporation. The decision of the Board with

respect to the privileged or confidential nature of such information shall be final and binding. Brookside' s rights under this Section 4.2(c) may only be assigned in connection with the transfer of all of the Preferred Stock held by Brookside to the assignee. In addition and without limiting the foregoing, in the event that Brookside appoints any person to be the Brookside Observer under this Section 4.2(c) who, in the good faith determination of the Board, has conflicting interests with the Corporation, then the Corporation shall have the right, at any time and from time to time, to exclude the Brookside Observer from access to any meeting, or any portion thereof, and/or deny the Brookside Observer access to any information and documents, or any portions thereof.

(d) Wellcome shall have the right to appoint an observer to the Board (the "Wellcome Observer") as long as Wellcome holds greater than seventy five percent (75%) of the Series A-1 Preferred Stock originally purchased by Wellcome pursuant to the Purchase Agreement. The Wellcome Observer shall have the right to attend all meetings of the Board in a non-voting observer capacity, and the Corporation shall provide to the Wellcome Observer all materials provided to the members of the Board and notice of such meetings, all in the manner and at the time provided to the members of the Board; provided, however, that the Corporation reserves the right to exclude such representatives from access to any material or meeting or portion thereof if the Corporation believes upon advice of counsel that such exclusion is necessary to preserve the attorney-client privilege or to protect highly confidential information, the disclosure of which should not be made to any person who does not have a fiduciary or other similar duty to the Corporation. The decision of the Board with respect to the privileged or confidential nature of such information shall be final and binding. Wellcome' s rights under this Section 4.2(a) may only be assigned in connection with the transfer of all of the Preferred Stock held by Wellcome to the assignee. In addition and without limiting the foregoing, in the event that Wellcome appoints any person to be the Wellcome Observer under this Section 4.2(a) who, in the good faith determination of the Board, has conflicting interests with the Corporation, then the Corporation shall have the right, at any time and from time to time, to exclude the Wellcome Observer from access to any meeting, or any portion thereof, and/or deny the Wellcome Observer access to any information and documents, or any portions thereof.

4.3 Cooperation of the Corporation. The Corporation shall use its best efforts to effectuate the purposes of this Section 4, including (i) taking such actions as are necessary to convene annual and/or special meetings of the Stockholders for the election of directors and (ii) promoting the adoption of any necessary amendment of the by-laws of the Corporation and the Certificate.

4.4 Notices. The Corporation shall provide the Series A-1 Stockholders, MPM and the Specified Preferred Holders with at least twenty (20) days' prior notice in writing of any intended mailing of notice to the Stockholders of a meeting at which directors are to be elected, and such notice shall include the names of the persons designated by the Corporation pursuant to this Section 4. The Series A-1 Stockholders, MPM and the Specified Preferred Holders shall notify the Corporation in writing at least three (3) days prior to such mailing of the persons designated by them respectively pursuant to Section 4.1 above as nominees for election to the Board. In the absence of any notice from the Series A-1 Stockholders, MPM and the Specified Preferred Holders, the director(s) then serving and previously designated by the Series A-1 Stockholders, MPM and the Specified Preferred Holders, as applicable, shall be renominated.

4.5 Removal. Except as otherwise provided in this Section 5, no Stockholder shall vote to remove any member of the Board designated in accordance with the foregoing provisions of this Section 4 unless the party or group of stockholders, as applicable, who designated such director (the "Designating Party") shall so vote or otherwise consent, and, if the Designating Party shall so vote or otherwise consent, then the non-designating Stockholders shall likewise so vote. Any vacancy on the Board created by the resignation, removal, incapacity or death of any person designated under the foregoing provisions of this Section 4 may be filled by another person designated by the original Designating Party. Each Stockholder shall vote all shares of voting stock of the Corporation owned or controlled by such Stockholder in accordance with each such new designation.

4.6 Quorum. A quorum for any meeting of the Board of Directors shall consist of a majority of all directors; provided, that at least a majority of the Investor Directors is in attendance at such meeting. If, at any meeting, a quorum is not present for any reason, then another Board of Directors meeting may be convened within no less than two (2) and no more than ten (10) business days and, at such meeting, a majority of all directors shall constitute a quorum for all purposes.

4.7 Committees. Each of the Investor Directors shall have the right to sit on any committee of the Board of Directors.

4.8 Duration of Section. This Section 4 and the rights and obligations of the parties hereunder shall automatically terminate on the earlier of (i) the consummation of an Event of Sale (as defined in the Certificate) or (ii) the automatic conversion of all of the Preferred Stock of the Corporation pursuant to the Certificate as a result of the listing, or the admitting for trading, of the Common Stock on a national securities exchange. Prior to such termination, the rights and obligations of any Preferred Stockholder under this Section 4 shall terminate upon the date on which such Preferred Stockholder or its Group no longer owns any Preferred Stock, whereupon the obligations of the remaining Stockholders to vote in favor of the designee of such Preferred Stockholder shall also terminate.

SECTION 5. Indemnification.

5.1 Indemnification of Investors. In the event that any Series A-1 Preferred Stockholder, Series A-2 Preferred Stockholder, Series A-3 Preferred Stockholder, Series A-5 Preferred Stockholder, Series A-6 Preferred Stockholder or any director, officer, employee, affiliate or agent thereof (the "Indemnitees"), become involved in any capacity in any action, proceeding, investigation or inquiry in connection with or arising out of any matter related to the Corporation or any Indemnitee' s role or position with the Corporation, the Corporation shall reimburse each Indemnitee for its legal and other expenses (including the cost of any investigation and preparation) as they are incurred by such Indemnitee in connection therewith. The Corporation also agrees to indemnify each Indemnitee, pay on demand and protect, defend, save and hold harmless from and against any and all liabilities, damages, losses, settlements, claims, actions, suits, penalties, fines, costs or expenses (including, without limitation, attorneys' fees) (any of the foregoing, a "Claim") incurred by or asserted against any Indemnitee of whatever kind or nature, arising from, in connection with or occurring as a result of this Agreement or the matters contemplated by this Agreement; provided, however, that the Corporation shall not be required to indemnify any Indemnitee hereunder in connection with any matter as to which a court of competent jurisdiction has made a final non-appealable determination that such Indemnitee has acted with gross negligence or willful or intentional misconduct in connection therewith. The foregoing agreement shall be in addition to any rights that any Indemnitee may have at common law or otherwise.

5.2 Advancement of Expenses. The Corporation shall advance all expenses reasonably incurred by or on behalf of the Indemnitees in connection with any Claim or potential Claim

within twenty (20) days after the receipt by the Corporation of a statement or statements from the Indemnitee requesting such advance payment or payments from time to time.

SECTION 6. Remedies. In case any one or more of the covenants and/or agreements set forth in this Agreement shall have been breached by any party hereto, the party or parties entitled to the benefit of such covenants or agreements may proceed to protect and enforce its or their rights, either by suit in equity and/or action at law, including, but not limited to, an action for damages as a result of any such breach and/or an action for specific performance of any such covenant or agreement contained in this Agreement. The rights, powers and remedies of the parties under this Agreement are cumulative and not exclusive of any other right, power or remedy which such parties may have under any other agreement or law. No single or partial assertion or exercise of any right, power or remedy of a party hereunder shall preclude any other or further assertion or exercise thereof.

SECTION 7. Successors and Assigns.

7.1 Series A-1, A-2 and A-3 Stockholders. Except as otherwise expressly provided herein, this Agreement shall bind and inure to the benefit of the Corporation and each of the Series A-1 Stockholder, Series A-2 Stockholder and Series A-3 Stockholder parties hereto and the respective successors and permitted assigns of the Corporation and each of the Series A-1 Stockholder, Series A-2 Stockholder and Series A-3 Stockholder parties hereto (including any member of a Stockholder' s Group). Subject to the requirements of Section 3 hereof, this Agreement and the rights and duties of the Series A-1 Stockholder, Series A-2 Stockholder and Series A-3 Stockholder set forth herein may be freely assigned, in whole or in part, by each Series A-1 Stockholder, Series A-2 Stockholder and Series A-3 Stockholder to any member of their respective Group, provided such transferee is an "affiliate" of such Series A-1 Stockholder, Series A-2 Stockholder or Series A-3 Stockholder, as the case may be, as such term is defined under Rule 501 of the Securities Act (it being recognized

and agreed that each member of the Oxford/Saints Group shall be deemed to be "affiliates" of each other for this purpose). Any transferee from a Series A-1 Stockholder, Series A-2 Stockholder or Series A-3 Stockholder, as the case may be, to whom rights under Section 3 are transferred shall, as a condition to such transfer, deliver to the Corporation a written instrument by which such transferee identifies itself, gives the Corporation notice of the transfer of such rights, identities the securities of the Corporation owned or acquired by it and agrees to be bound by the obligations imposed hereunder to the same extent as if such transferee were a Series A-1 Stockholder, Series A-2 Stockholder or Series A-3 Stockholder, as applicable, hereunder. A transferee to whom rights are transferred pursuant to this Section 7.1 will be thereafter deemed to be a Series A-1 Stockholder, Series A-2 Stockholder or Series A-3 Stockholder, as applicable, for the purpose of the execution of such transferred rights and may not again transfer such rights to any other person or entity, other than as provided in this Section 7.1. Upon the consummation of the Merger: (i) all of the rights and obligations of this Agreement pertaining to the Series A-1 Stockholders and the shares of Series A-1 Preferred Stock of the Corporation held by them shall be deemed to apply in the same manner to the holders of Series A-1 Preferred Stock, par value $0.0001 per share of MPM Acquisition Corp., a Delaware corporation ("MPMAC"), and the shares of such MPMAC Series A-1 Preferred Stock held by them, respectively, as if such shares of MPMAC stock were shares of Series A-1 Preferred Stock for all purposes of this Agreement; (ii) all of the rights and obligations of this Agreement pertaining to the Series A-2 Stockholders and the shares of Series A-2 Preferred Stock of the Corporation held by them shall be deemed to apply in the same manner to the holders of Series A-2 Preferred Stock, par value $0.0001 per share of MPMAC, and the shares of such MPMAC Series A-2 Preferred Stock held by them, respectively, as if such shares of MPMAC stock were shares of Series A-2 Preferred Stock for all purposes of this Agreement; and (iii) all of the rights and obligations of this Agreement pertaining to the Series A-3 Stockholders and the shares of Series A-3 Preferred Stock of the Corporation held by them shall be deemed to apply in the same manner to the holders of Series A-3 Preferred Stock, par value $0.0001 per share of MPMAC, and the shares of such MPMAC Series A-3

Preferred Stock held by them, respectively, as if such shares of MPMAC stock were shares of Series A-3 Preferred Stock for all purposes of this Agreement.

7.2 Other Stockholders. Except as otherwise expressly provided herein, this Agreement shall bind and inure to the benefit of the Corporation and each of the Common Stockholders and the Series A-4 Stockholders, Series A-5 Stockholders and Series A-6 Stockholders (collectively, the "Other Stockholders") and the respective successors and permitted assigns of the Corporation and each of the Other Stockholders. Subject to the requirements of Section 3 hereof, this Agreement and the rights and duties of the Other Stockholders set forth herein may be assigned, in whole or in part, by any Other Stockholder to a Related Transferee or to any member of their respective Group, provided such transferee is an "affiliate" of such Other Stockholder, as such term is defined under Rule 501 of the Securities Act (it being recognized and agreed that each Member of the Oxford/Saints Group shall be deemed to be "affiliates" of each other for this purpose). Any transferee from an Other Stockholder to whom rights under Section 3 are transferred shall, as a condition to such transfer, deliver to the Corporation a written instrument by which such transferee identifies itself, gives the Corporation notice of the transfer of such rights, identifies the securities of the Corporation owned or acquired by it and agrees to be bound by the obligations imposed hereunder to the same extent as if such transferee were an Other Stockholder hereunder. A transferee to whom rights are transferred pursuant to this Section 7.2 will be thereafter deemed to be an Other Stockholder for the purpose of the execution of such transferred rights and may not again transfer such rights to any other person or entity, other than as provided in this Section 7.2. Upon the consummation of the Merger: (i) all of the rights and obligations of this Agreement pertaining to the holders of Common Stock and the shares of Common Stock of the Corporation held by them shall be deemed to apply in the same manner to the holders of Common Stock, par value $0.0001 per share of MPMAC, and the shares of such MPMAC Common Stock held by them, respectively, as if such shares of MPMAC stock were shares of Common Stock for all purposes of this Agreement; (ii) all of the rights and obligations of this Agreement pertaining to the Series A-4 Stockholders and the shares of Series A-4 Preferred Stock of the Corporation held by them shall be deemed to apply in the same manner to the holders of Series A-4 Preferred Stock, par value $0.0001 per share of MPMAC, and the shares of such MPMAC Series A-4 Preferred Stock held by them, respectively, as if such shares of MPMAC stock were shares of Series A-4 Preferred Stock for all purposes of this Agreement; (iii) all of the rights and obligations of this Agreement pertaining to the Series A-5 Stockholders and the shares of Series A-5 Preferred Stock of the Corporation held by them shall be deemed to apply in the same manner to the holders of Series A-5 Preferred Stock, par value $0.0001 per share of MPMAC, and the shares of such MPMAC Series A-5 Preferred Stock held by them, respectively, as if such shares of MPMAC stock were shares of Series A-5 Preferred Stock for all purposes of this Agreement; and (iv) all of the rights and obligations of this Agreement pertaining to the Series A-2 Stockholders and the shares of Series A-6 Preferred Stock of the Corporation held by them shall be

deemed to apply in the same manner to the holders of Series A-6 Preferred Stock, par value $0.0001 per share of MPMAC, and the shares of such MPMAC Series A-6 Preferred Stock held by them, respectively, as if such shares of MPMAC stock were shares of Series A-6 Preferred Stock for all purposes of this Agreement.

7.3 The Corporation. Neither this Agreement nor any of the rights or duties of the Corporation set forth herein shall be assigned by the Corporation, in whole or in part, without having first received the written consent of the Majority Investors. Notwithstanding the foregoing, upon the consummation of the Merger with respect to all times after the consummation of the Merger, (i) the Corporation shall, and hereby does, assign all of its rights, duties and obligations under this Agreement to MPMAC and (ii) all references to the "Corporation" in this Agreement and to its capital stock or any other aspects of the Corporation shall be deemed to be references to MPMAC and its capital stock and other applicable aspects of MPMAC. MPMAC, by executing this Agreement as an anticipated successor and assign to the Corporation, does hereby assume, effective upon the consummation of the

Merger, all of the Corporation' s rights, duties and obligations under this Agreement. All parties to this Agreement hereby consent to the assignment and assumption contemplated between the Corporation and MPMAC set forth in this paragraph.

SECTION 8. Duration of Agreement. The rights and obligations of the Corporation and each Stockholder set forth herein shall survive indefinitely, unless and until, by the respective terms of this Agreement, they are no longer applicable.

SECTION 9. Entire Agreement. This Agreement, together with the other writings referred to herein or delivered pursuant hereto which form a part hereof, contains the entire agreement among the parties with respect to the subject matter hereof and amends, restates and supersedes all prior and contemporaneous arrangements or understandings with respect thereto.

SECTION 10. Notices. All notices, requests, consents and other communications hereunder to any party shall be deemed to be sufficient if contained in a written instrument delivered in person or duly sent by first class registered, certified or overnight mail, postage prepaid, or telecopied with a confirmation copy by regular mail, addressed or telecopied, as the case may be, to such party at the address or telecopier number, as the case may be, set forth below or such other address or telecopier number, as the case may be, as may hereafter be designated in writing by the addressee to the addressor listing all parties:

(i) if to the Corporation, to:

Radius Health, Inc.
201 Broadway
Sixth Floor
Cambridge, MA 02139
Attention: Chief Executive Officer

Telecopier: (617) 551-4701

with a copy to:

Bingham McCutchen LLP
One Federal Street
Boston, MA 02110-1726
Attention: Julio E. Vega, Esq.
Telecopier: (617) 951-8736

(ii) if to the Investors, as set forth on Schedule 2; to the Common Stockholders, as set forth on Schedule 1; to the holders of Series A-2 Preferred Stock, as set forth on Schedule 3; to the holders of Series A-3 Preferred Stock, as set forth

on Schedule 4; to the holders of Series A-4 Preferred Stock, as set forth on Schedule 5; to the holder of Series A-5 Preferred Stock and/or Series A-6 Preferred Stock, as set forth on Schedule 6,

All such notices, requests, consents and communications shall be deemed to have been received (a) in the case of personal delivery, on the date of such delivery, (b) in the case of mailing, on the third business day following the date of such mailing, (c) in the case of overnight mail, on the first business day following the date of such mailing, and (d) in the case of facsimile transmission, when confirmed by facsimile machine report.

SECTION 11. Changes. The terms and provisions of this Agreement may not be modified or amended, or any of the provisions hereof waived, temporarily or permanently, except pursuant to the written consent of the Corporation and the Majority Investors, and to the extent that there is a material adverse effect of any such modification or amendment on the rights and obligations of the holders of shares of Series A-4 Preferred Stock, Series A-5 Preferred Stock or Series A-6 Preferred Stock in a manner more adverse than such effect on the holders of Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock, respectively, a majority in combined voting power of the such more affected series then outstanding, determined in accordance with Section A.6(a) of Article III of the Certificate. Additional parties who become Common Stockholders or Series A-4 Stockholders, Series A-5 Stockholders or Series A-6 Stockholders pursuant to an instrument of adherence will not constitute a change under this Section 11. Notwithstanding the foregoing, (a) any modification or amendment to this Agreement that would adversely affect one Series A-1 Stockholder, Series A-2 Stockholder or Series A-3 Stockholder in a manner that is directed specifically to such Series A-1 Stockholder, Series A-2 Stockholder or Series A-3 Stockholder, rather than to all Series A-1 Stockholders, Series A-2 Stockholders and Series A-3 Stockholders, shall be subject to the approval of each such Series A-1 Stockholder, Series A-2 Stockholder or Series A-3 Stockholder, as applicable, (b) any modification or amendment to Section 2.11 hereof shall be subject to the further approval of Wellcome, at least one member of HCV Group, one member of the MPM Group, one member of the Brookside Group, one member of the BB Bio Group, and the Oxford/Saints Group, (c) any modification to Section 4.1(b)(i) shall be subject to the further approval of Stockholders holding at least a majority of the outstanding shares of Series A-1 Preferred Stock, (d) any modification to Section 4.1(b)(ii) shall be subject to the further approval of at least two of the Specified Preferred Holders, (e) any modification to Section 4.1(b)(iii) shall be subject to the further approval of at least one member of the MPM Group, (f) any modification to Section 4.2(a) shall be subject to the further approval of at least one member of the HCV Group, (g) any modification to Section 4.2(b) shall be subject to the further approval of Saints, (h) any modification to Section 4.2(c) shall be subject to the further approval of at least one member of the Brookside Group and (i) any modification to Section 4.2(d) shall be subject to the further approval of Wellcome. It is understood that this separate consent would not be required if any such adverse effect results from the application of criteria uniformly to all Stockholders even if such application may affect Stockholders differently.

SECTION 12. Counterparts. This Agreement may he executed in any number of counterparts, each such counterpart shall be deemed to he an original instrument and all such counterparts together shall constitute but one agreement.

SECTION 13. Headings. The headings of the various sections of this Agreement have been inserted for convenience of reference only, and shall not be deemed to be a part of this Agreement.

SECTION 14. Nouns and Pronouns. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of names and pronouns shall include the plural and vice-versa.

SECTION 15. Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 16. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts, excluding choice of law rules thereof.

SECTION 17. Additional Parties. Notwithstanding anything to the contrary contained herein, any Stockholder may become a party to this Agreement following the delivery to, and written acceptance by, the Corporation of an execute and Instrument of Adherence to this Agreement in the Form attached hereto as Annex C. No action or consent by Stockholder parties hereto shall be required for such joinder to this Agreement by such additional Stockholder, so long as such additional Stockholder has agreed in writing to be bound by all of the obligations as Stockholder party hereunder as indicated in the Instrument of Adherence and the Instrument of Adherence has been accepted in writing by the Corporation.

[remainder of page intentionally left blank]

(Signature Page to Stockholders' Agreement)

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the date first above written.

THE CORPORATION:

RADIUS HEALTH, INC.

By: _____
Name: C. Richard Edmund Lyttle
Title: President

As an anticipated successor and assign to the Corporation under Section 7.3 hereof:

MPM ACQUISITION CORP.

By: _____
Name: C. Richard Edmund Lyttle
Title: President

INVESTORS:

BB BIOTECH VENTURES II, L.P.
By:
Its:

By: _____
Name: Ben Morgan
Title: Director

BB BIOTECH GROWTH N.V.

By:
Its:

By: _____
Name: H. J. Van Neutegem
Title: Managing Director

HEALTHCARE VENTURES VII, LP,
By: HealthCare Partners VII, L.P.
Its General Partner

By: _____
Name: Jeffrey Steinberg
Title: Administrative Partner of HealthCare Partners VII, L.P.
The General Partner of HealthCare Ventures VII, L.P.

MPM BIOVENTURES III, L.P.

By: MPM BioVentures III GP, L.P.,
its General Partner
By: MPM BioVentures III LLC,
its General Partner

By: _____
Name: Ansbert Gadicke
Title: Series A Member

MPM BIOVENTURES III-QP, L.P.

By: MPM BioVentures III GP, L.P.,
its General Partner
By: MPM BioVentures III LLC,
its General Partner

By: _____
Name: Ansbert Gadicke
Title: Series A Member

MPM BIOVENTURES III GMBH & CO. BETEILIGUNGS KG

By: MPM BioVentures III GP, L.P.,
in its capacity as the Managing Limited Partner
By: MPM BioVentures III LLC,

its General Partner

By: _____

Name: Ansbert Gadicke
Title: Series A Member

MPM BIOVENTURES III PARALLEL FUND, L.P.

By: MPM BioVentures III GP, L.P.,
its General Partner
By: MPM BioVentures III LLC,
its General Partner

By: _____
Name: Ansbert Gadicke
Title: Series A Member

MPM ASSET MANAGEMENT INVESTORS 2003 BVIII LLC

By: _____
Name: Ansbert Gadicke
Title: Manager

MPM BIO IV NVS STRATEGIC FUND, L.P.

By: MPM BioVentures IV GP LLC,
its General Partner
By: MPM BioVentures IV LLC,
its Managing Member

By: _____
Name: Ansbert Gadicke
Title:

HEALTHCARE PRIVATE EQUITY LIMITED PARTNERSHIP
By: Waverley Healthcare Private Equity
Limited, its general partner

By: _____
Name: Andrew November
Title: Director

THE WELLCOME TRUST LIMITED, AS TRUSTEE OF THE WELLCOME TRUST

By: _____
Name: Peter Percisa Gray
Title: Managing Director

_____
Dr. Raymond F. Schinazi

OXFORD BIOSCIENCE PARTNERS IV L.P.
By: OBP Management IV L.P.

By: _____
Name: Jonathan Fleming
Title: General Partner

MRNA Fund II L.P.
By: OBP Management IV L.P.

By: _____
Name: Jonathan Fleming
Title: General Partner

SAINTS CAPITAL VI, L.P.,
a limited partnership

By: Saints Capital VI LLC,
a limited liability company

By: _____
Name: David P. Quinlivan
Title: Managing Member

EXPLANATORY NOTE

The following Plan of Distribution was not attached as Annex A to this Stockholders Agreement at the time this Stockholders Agreement was executed and it is not part of the executed agreement. The Plan of Distribution was subsequently distributed to the stockholders of the Company separate from the Stockholders Agreement and is being include here for informational purposes only.

Annex A

PLAN OF DISTRIBUTION

We are registering the shares offered by this prospectus on behalf of the selling stockholders. The selling stockholders, which as used herein includes donees, pledgees, transferees or other successors-in-interest selling shares of common stock or interests in shares of common stock received after the date of this prospectus from a selling stockholder as a gift, pledge, partnership distribution or other transfer, may, from time to time, sell, transfer or otherwise dispose of any or all of their shares of common stock or interests in shares of common stock on any stock exchange, market or trading facility on which the shares are traded or in private transactions. These dispositions may be at fixed prices, at prevailing market prices at the time of sale, at prices related to the prevailing market price, at varying prices determined at the time of sale, or at negotiated prices.

The selling stockholders may use any one or more of the following methods when disposing of shares or interests therein:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent, but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- short sales;
- through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;
- broker-dealers may agree with the selling stockholders to sell a specified number of such shares at a stipulated price per share;
- a combination of any such methods of sale; and
- any other method permitted pursuant to applicable law.

The selling stockholders may, from time to time, pledge or grant a security interest in some or all of the shares of common stock owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the shares of common stock, from time to time, under this prospectus, or under an amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act amending the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus. The selling stockholders also may transfer the shares of common stock in other circumstances, in which case the transferees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

In connection with the sale of our common stock or interests therein, the selling stockholders may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the common stock in the course of hedging the positions they assume. The selling stockholders may also sell shares of our common stock short and deliver these securities to close out their short positions, or loan or pledge the common stock to broker-dealers that in turn may sell these securities. The selling stockholders may also enter into option or other transactions with broker-dealers or other financial institutions or the creation of one or more derivative securities which require the delivery to such broker-dealer or other financial institution of shares offered by this prospectus, which shares such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction).

The aggregate proceeds to the selling stockholders from the sale of the common stock offered by them will be the purchase price of the common stock less discounts or commissions, if any. Each of the selling stockholders reserves the right to accept and, together with their agents from time to time, to reject, in whole or in part, any proposed purchase of common stock to be made directly or through agents. We will not receive any of the proceeds from this offering. Upon any exercise of the warrants by payment of cash, however, we will receive the exercise price of the warrants.

The selling stockholders also may resell all or a portion of the shares in open market transactions in reliance upon Rule 144 under the Securities Act of 1933, provided that they meet the criteria and conform to the requirements of that rule.

The selling stockholders and any broker-dealers that act in connection with the sale of the shares offered hereby might be deemed to be “underwriters” within the meaning of Section 2(11) of the Securities Act, and any commissions received by such broker-dealers and any profit on the resale of the securities sold by them while acting as principals might be deemed to be underwriting discounts or commissions under the Securities Act.

To the extent required, the shares of our common stock to be sold, the names of the selling stockholders, the respective purchase prices and public offering prices, the names of any agents, dealer or underwriter, any applicable commissions or discounts with respect to a particular offer will be set forth in an accompanying prospectus supplement or, if appropriate, a post-effective amendment to the registration statement that includes this prospectus.

In order to comply with the securities laws of some states, if applicable, the common stock may be sold in these jurisdictions only through registered or licensed brokers or dealers. In addition, in some states the common stock may not be sold unless it has been registered or qualified for sale or an exemption from registration or qualification requirements is available and is complied with.

The anti-manipulation rules of Regulation M under the Exchange Act may apply to sales of shares in the market and to the activities of the selling stockholders and their affiliates. In addition, we will make copies of this prospectus (as it may be supplemented or amended from time to time) available to the selling stockholders for the purpose of satisfying the prospectus delivery requirements of the Securities Act. The selling stockholders may indemnify any broker-dealer that participates in transactions involving the sale of the shares against certain liabilities, including liabilities arising under the Securities Act.

We have agreed to indemnify the selling stockholders against liabilities, including liabilities under the Securities Act and state securities laws, relating to the registration of the shares offered by this prospectus.

We have agreed with the selling stockholders to keep the registration statement of which this prospectus constitutes a part effective until the earlier of (1) such time as all of the shares covered by this prospectus have been disposed of pursuant to and in accordance with the registration statement or (2) the date on which the shares may be sold pursuant to Rule 144 of the Securities Act.

EXPLANATORY NOTE

The following Questionnaire for Selling Stockholders was not attached as Annex B to this Stockholders Agreement at the time this Stockholders Agreement was executed and it is not part of the executed agreement. The Questionnaire for Selling Stockholders was subsequently distributed to the stockholders of the Company separate from the Stockholders Agreement and is being include here for informational purposes only.

Annex B

Radius Health, Inc.

Questionnaire for Selling Stockholders

All questions should be answered as of the date you sign this Questionnaire, unless otherwise specified. Please return the completed Questionnaire by fax or other electronic transmission (with the originally signed copy to follow by mail) to:

Kathryn Ostman, Esq.
Bingham McCutchen LLP
One Federal Street
Boston, MA 02110
617-951-8637

With a copy to:

Nicholas Harvey
Chief Financial Officer
Radius Health, Inc.
201 Broadway, Sixth Floor
Cambridge, MA 02139

Please state the Selling Stockholder' s
name and mailing address:

Please answer the following questions:

(a) Within the past three years, have you held any position or office or (other than as a securityholder) had any relationship with the Company or affiliates(1)?

Yes ☐ No ☐

If yes, please describe.

(1) Please refer to the definition of affiliate in Appendix A hereto.

(b) Set forth below the number of shares of Common Stock of the Company owned beneficially(2) by you after the Merger (the "Shares"). For each holding, please state under the column entitled "Statements Concerning Beneficial Ownership" (a) the name in which the securities are held, (b) if issuable upon conversion of preferred stock held, indicate the type and number of preferred shares held, (c) if issuable upon exercise of common or preferred share purchase warrants, indicate the type of warrant and exercise price, (d) the number of securities with respect to which you have sole voting power,(3) (e) the number of securities with respect to which you have shared voting power,(4) (f) the amount and/or number of securities with respect to which you have sole investment power,(5) (g) the amount and/or number of securities with respect to which you have shared investment power,(6) and (h) the amount and/or number of securities with respect to which you have the right to acquire beneficial(7) ownership by **AUGUST 22, 2011.**

Shares Beneficially Owned	Number of Shares	Statements Concerning Beneficial Ownership

(c) Number of Shares to be Offered Pursuant to the Registration Statement:

ALL If less than ALL, number of Shares to be Offered:

(d) Attached as Appendix B hereto is a draft of the "Plan of Distribution" section of the Registration Statement. Do you propose to offer or sell any securities of the Company by means other than those described in Appendix B?

Yes ☐ No ☐

If yes, please describe.

(2) Please refer to the definition of affiliate in Appendix A hereto.
(3) Please refer to the discussion on voting power in the definition of beneficial ownership in Appendix A.
(4) Please refer to the discussion on voting power in the definition of beneficial ownership in Appendix A.
(5) Please refer to the discussion on investment power in the definition of beneficial ownership in Appendix A.
(6) Please refer to the discussion on investment power in the definition of beneficial ownership in Appendix A.
(7) Please refer to the definition of affiliate in Appendix A hereto.

(e) Do you currently have specific plans to offer any securities of the Company through the selling efforts of brokers or dealers?

Yes ☐ No ☐

If yes, briefly describe the terms of any agreement, arrangement or understanding, entered into or proposed to be entered into with any broker or dealer, including any discounts or commissions to be paid to dealers.

(f) Are any of the securities of the Company to be offered otherwise than for cash?

Yes ☐ No ☐

If yes, please describe.

(g) Are any finders to be involved in the offering or sale of any of the securities of the Company?

Yes ☐ No ☐

If yes, please describe.

The undersigned hereby represents that all the information supplied herein is true, correct and complete as of the date hereof. The undersigned understands that the foregoing information will be use in connection with a proposed filing of a Registration Statement, and that the answers to the questions submitted will be relied on by the Company and its officers and directors in preparing the Registration Statement. ***The undersigned agrees to notify Radius Health, Inc. immediately of any material change in the forgoing answers.*** In connection with his, her or its purchase of securities, the

Dated:

(Name of Holder)

By:
Name:
Title:

APPENDIX A

DEFINITIONS

(1) **Affiliate** of a specified person (as defined below), means a person who directly or indirectly through one or more intermediaries, controls (as defined below), or is controlled by, or is under common control with, the person specified.

(2) **Beneficial**, or **beneficially**, as applied to the ownership of securities, has been defined by the Securities and Exchange Commission to mean the following:

A beneficial owner of a security includes any person (as defined below) who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares "voting power" and/or "investment power". Voting power includes the power to vote, or to direct the voting of, such security; investment power includes the power to dispose, or to direct the disposition, of such security.

Note that more than one person may have a beneficial interest in the same securities; one may have voting power and the other may have investment power.

Even if a person, directly or indirectly, creates or uses a trust, proxy, power of attorney, pooling arrangement or any other contract, arrangement or device with the purpose or effect of divesting such person of beneficial ownership of a security or preventing the vesting of such beneficial ownership to avoid the reporting requirements of section 13(d) of the Securities Exchange Act, he will still be deemed to be the beneficial owner of such security.

A person is deemed to be the beneficial owner of a security if that person has the right to acquire beneficial ownership of such security at any time within 60 days, including but not limited to any right to acquire: (i) through the exercise of any option, warrant or right; (ii) through the conversion of a security; (iii) pursuant to the power to revoke a trust, discretionary account, or similar arrangement; or (iv) pursuant to the automatic termination of a trust, discretionary account or similar arrangement.

A member of a national securities exchange is not deemed to be a beneficial owner of securities held directly or indirectly by it on behalf of another person solely because such member is the record holder of such securities and, pursuant to the rules of such exchange, may direct the vote of such securities, without instruction, on other than contested matters or matters that may affect substantially the rights or privileges of the holders of the securities to be voted, but is otherwise precluded by the rules of such exchange from voting without instruction.

A person who in the ordinary course of business is a pledgee of securities pursuant to a bona fide pledge agreement will not be deemed to be the beneficial owner of such pledged securities merely because there has been a default under such an agreement, except during such time as the event of default shall remain uncured for more than 30 days or at any time before a default is cured if the power acquired by the pledgee pursuant to the default enables him to change or influence control of the issuer.

A person may also be regarded as the beneficial owner of securities held in the name of his spouse, his minor children or other relatives of his or her spouse sharing his home, or held in a trust of which he is a beneficiary or trustee, if the relationships are such that he has voting power and/or investment power with respect to such securities.

If you have any reason to believe that any interest you have, however remote, might be described as a beneficial interest, describe such interest.

(3) **Control** means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise.

(4) **Person** includes two or more persons acting as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding, or disposing of securities of an issuer.

APPENDIX B

PLAN OF DISTRIBUTION

We are registering the shares offered by this prospectus on behalf of the selling stockholders. The selling stockholders, which as used herein includes donees, pledgees, transferees or other successors-in-interest selling shares of common stock or interests in shares of common stock received after the date of this prospectus from a selling stockholder as a gift, pledge, partnership distribution or other transfer, may, from time to time, sell, transfer or otherwise dispose of any or all of their shares of common stock or interests in shares of common stock on any stock exchange, market or trading facility on which the shares are traded or in private transactions. These dispositions may be at fixed prices, at prevailing market prices at the time of sale, at prices related to the prevailing market price, at varying prices determined at the time of sale, or at negotiated prices.

The selling stockholders may use any one or more of the following methods when disposing of shares or interests therein:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent, but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- short sales;
- through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;
- broker-dealers may agree with the selling stockholders to sell a specified number of such shares at a stipulated price per share;

- a combination of any such methods of sale; and
- any other method permitted pursuant to applicable law.

The selling stockholders may, from time to time, pledge or grant a security interest in some or all of the shares of common stock owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the shares of common stock, from time to time, under this prospectus, or under an amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act amending the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus. The selling stockholders also may transfer the shares of common stock in other circumstances, in which case the transferees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

In connection with the sale of our common stock or interests therein, the selling stockholders may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the common stock in the course of hedging the positions they assume. The selling stockholders may also sell shares of our common stock short and deliver these securities to close out their short positions, or loan or pledge the common stock to broker-dealers that in turn may sell these securities. The selling stockholders may also enter into option or other transactions with broker-dealers or other financial institutions or the creation of one or more

derivative securities which require the delivery to such broker-dealer or other financial institution of shares offered by this prospectus, which shares such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction).

The aggregate proceeds to the selling stockholders from the sale of the common stock offered by them will be the purchase price of the common stock less discounts or commissions, if any. Each of the selling stockholders reserves the right to accept and, together with their agents from time to time, to reject, in whole or in part, any proposed purchase of common stock to be made directly or through agents. We will not receive any of the proceeds from this offering. Upon any exercise of the warrants by payment of cash, however, we will receive the exercise price of the warrants.

The selling stockholders also may resell all or a portion of the shares in open market transactions in reliance upon Rule 144 under the Securities Act of 1933, provided that they meet the criteria and conform to the requirements of that rule.

The selling stockholders and any broker-dealers that act in connection with the sale of the shares offered hereby might be deemed to be “underwriters” within the meaning of Section 2(11) of the Securities Act, and any commissions received by such broker-dealers and any profit on the resale of the securities sold by them while acting as principals might be deemed to be underwriting discounts or commissions under the Securities Act.

To the extent required, the shares of our common stock to be sold, the names of the selling stockholders, the respective purchase prices and public offering prices, the names of any agents, dealer or underwriter, any applicable commissions or discounts with respect to a particular offer will be set forth in an accompanying prospectus supplement or, if appropriate, a post-effective amendment to the registration statement that includes this prospectus.

In order to comply with the securities laws of some states, if applicable, the common stock may be sold in these jurisdictions only through registered or licensed brokers or dealers. In addition, in some states the common stock may not be sold unless it has been registered or qualified for sale or an exemption from registration or qualification requirements is available and is complied with.

The anti-manipulation rules of Regulation M under the Exchange Act may apply to sales of shares in the market and to the activities of the selling stockholders and their affiliates. In addition, we will make copies of this prospectus (as it may be supplemented or amended

from time to time) available to the selling stockholders for the purpose of satisfying the prospectus delivery requirements of the Securities Act. The selling stockholders may indemnify any broker-dealer that participates in transactions involving the sale of the shares against certain liabilities, including liabilities arising under the Securities Act.

We have agreed to indemnify the selling stockholders against liabilities, including liabilities under the Securities Act and state securities laws, relating to the registration of the shares offered by this prospectus.

We have agreed with the selling stockholders to keep the registration statement of which this prospectus constitutes a part effective until the earlier of (1) such time as all of the shares covered by this prospectus have been disposed of pursuant to and in accordance with the registration statement or (2) the date on which the shares may be sold pursuant to Rule 144 of the Securities Act.

Annex C

Instrument of Adherence
to
Amended and Restated
Stockholders' Agreement
dated , 2011

Reference is hereby made to that certain THIS AMENDED AND RESTATED STOCKHOLDERS' AGREEMENT (the "Agreement"), dated the day of , 2011, entered into by and among (i) Radius Health, Inc., a Delaware corporation (the "Corporation") and the Stockholder parties thereto. Capitalized terms used herein without definition shall have the respective meanings ascribed thereto in the Agreement.

The undersigned (the "New Stockholder Party"), in order to become the owner or holder of shares of and all other shares of the Corporation' s capital stock hereinafter acquired, of the Company (the "Acquired Shares"), hereby agrees that, from and after the date hereof, the undersigned has become a party to the Agreement in the capacity of a party to the Agreement, and is entitled to all of the benefits under, and is subject to all of the obligations, restrictions and limitations set forth in, the Agreement that are applicable to such Stockholder parties and shall be deemed to have made all of the representations and warranties made by such Stockholder parties thereunder. This Instrument of Adherence shall take effect and shall become a part of the Agreement on the latest date of execution by both the New Stockholder Party and the Corporation.

Executed under seal as of the date set forth below under the laws of the Commonwealth of Massachusetts.

Print Name: _____

Signature: _____
Name:
Title:

Accepted:
RADIUS HEALTH, INC.

By: _____
Name:

Title:

Date: _____

Exhibit F

Executed Agreement and Plan of Merger

Filed as Exhibit 10.1 to the Form 8-K/A filed on October 24, 2011

Disclosure Schedules

RADIUS HEALTH, INC.

Disclosure Schedule ("Schedule") to the Series A-1 Convertible Preferred Stock Purchase Agreement, dated April 25, 2011 (the "Purchase Agreement")

The following Schedule is delivered by Radius Health, Inc., a Delaware corporation (the "Corporation") in connection with the Stage I Closing under the Purchase Agreement. This Schedule sets forth exceptions to the representations and warranties of the Corporation to be given at the Stage I Closing (which exceptions shall be deemed to be representations and warranties as if made under the Purchase Agreement). The information in this Schedule is provided as of the Stage I Closing Date.

The disclosure of any item or information in this Schedule shall not be construed as an admission that such item or information is material to the Corporation, and any inclusion in the Schedule shall expressly not be deemed to constitute an admission, or otherwise imply, that any such item or information is material or creates measures of materiality for the purposes of the Purchase Agreement. Nothing in this Schedule constitutes an admission of any liability or obligation of the Corporation to any third party, nor an admission to any third party against the Corporation' s interests.

With respect to any matter that is clearly disclosed in any Section of this Schedule in such a way as to make its relevance to the information called for by another Section of this Schedule readily apparent, such matter shall be deemed to have been included in the Schedule in response to such other Section, notwithstanding the omission of any appropriate cross-reference thereto. The Section numbers referred to in this Schedule correspond to the Section numbers in the Purchase Agreement. Capitalized terms not otherwise defined in this Schedule shall have the meanings set forth in the Purchase Agreement.

Schedule 5.1

Organization

1. The Corporation is qualified to do business as a foreign corporation in the Commonwealth of Massachusetts.

Schedule 5.2

Capitalization

1. Capitalization of the Corporation Immediately Following the Stage I Closing:

RADIUS

	CAPITALIZATION AFTER 1ST SERIES A-1, A-5 and IPSEN CLOSING										%	Post	%
	Series A-1	Series A-2	Series A-3	Series A-4	Series A-5	Common	Series A-1 Warrants	Common Warrants	Common Options	Post Shares	Shares Out	Fully Diluted Shares	Fully Diluted
Preferred Holders													
MPM Bioventures III Funds	82,225	121,944	29,850			–				234,019	**1.46%**	234,019	**1.32%**
MPM Bioventures III-QP, L.P.	1,222,905	1,813,643	443,959			–				3,480,507	**21.69%**	3,480,507	**19.67%**
MPM Bioventures III GMBH & Co.	103,351	153,275	37,520			–				294,146	**1.83%**	294,146	**1.66%**
MPM Bioventures III Parallel Fund, L.P.	36,932	54,773	13,408			–				105,113	**0.66%**	105,113	**0.59%**
MPM Asset Management Investors 2003	23,681	35,114	8,595			–				67,390	**0.42%**	67,390	**0.38%**
MPM Bio IV NVS Strategic Fund	540,013	1,842,426	–			–				2,382,439	**14.85%**	2,382,439	**13.47%**
Wellcome Trust	255,223	2,103,250	–			–				2,358,473	**14.70%**	2,358,473	**13.33%**
HealthCare Ventures VII	196,512	982,789	636,632			83,113				1,899,046	**11.83%**	1,899,046	**10.73%**
Saints Capital (OBP IV Holdings)	162,133	1,086,285	249,830			15,173				1,513,421	**9.43%**	1,513,421	**8.56%**
Saints Capital (mRNA Fund II Holdings)	1,627	10,900	2,506			151				15,184	**0.09%**	15,184	**0.09%**
BB Biotech Ventures II	435,965	1,051,625	–			–				1,487,590	**9.27%**	1,487,590	**8.41%**
Scottish Widows	68,059	560,866	–			–				628,925	**3.92%**	628,925	**3.56%**
Raymond F. Schinazi	7,575	15,243	–	4,142		–				26,960	**0.17%**	26,960	**0.15%**
David E. Thompson Revocable Trust	1,964			16,190		–				18,154	**0.11%**	18,154	**0.10%**
Hostetler Family Trust	–			–		3,071				3,071	**0.02%**	3,071	**0.02%**
H.Watt Gregory, III	1,329			10,957		–				12,286	**0.08%**	12,286	**0.07%**
The Richman Trust	650			5,357		–				6,007	**0.04%**	6,007	**0.03%**
Breining Family Trust	407			3,357		–				3,764	**0.02%**	3,764	**0.02%**
Dr. Dennis A. Carson	–			–		533				533	**0.00%**	533	**0.00%**
B Van Wyck	–			–		363				363	**0.00%**	363	**0.00%**
Jonnie K. Westbrook	–			–		363				363	**0.00%**	363	**0.00%**
Nordic Bioscience					64,430					64,430	**0.40%**	64,430	**0.36%**
Brookside	409,400									409,400	**2.55%**	409,400	**2.31%**
BB Biotech AG	409,400									409,400	**2.55%**	409,400	**2.31%**
Ipsen	173,263									173,263	**1.08%**	173,263	**0.98%**
Leerink							8,188			–	**0.00%**	8,188	**0.05%**

RADIUS

	CAPITALIZATION AFTER 1ST SERIES A-1, A-5 and IPSEN CLOSING										%	Post	%
	Series A-1	Series A-2	Series A-3	Series A-4	Series A-5	Common	Series A-1 Warrants	Common Warrants	Common Options	Post Shares	Shares Out	Fully Diluted Shares	Fully Diluted
Common Holders													
Alan Auerbach									256,666	–	**0.00%**	256,666	**1.45%**
Stavros C. Manolagas						91,040			–	91,040	**0.57%**	91,040	**0.51%**
Michael Rosenblatt						46,664			41,168	46,664	**0.29%**	87,832	**0.50%**
John Thomas Potts Trust						20,291			–	20,291	**0.13%**	20,291	**0.11%**
John Thomas Potts, Jr.						4,496			47,245	4,496	**0.03%**	51,741	**0.29%**
John Katzenellenbogen Trust						40,438			–	40,438	**0.25%**	40,438	**0.23%**
John Katzenellenbogen						8,961			6,666	8,961	**0.06%**	15,627	**0.09%**
Bart Henderson						30,468			–	30,468	**0.19%**	30,468	**0.17%**
Board of Trustees of the Uni of Arkansas						17,333			–	17,333	**0.11%**	17,333	**0.10%**
Sillicon Valley Bank						–		266	–	–	**0.00%**	266	**0.00%**
Ben Lane						8,125			–	8,125	**0.05%**	8,125	**0.05%**
Ruff Trust						5,124			–	5,124	**0.03%**	5,124	**0.03%**
H2 Enterprises, LLC						5,124			–	5,124	**0.03%**	5,124	**0.03%**
Dr. Karl Y. Hostetler						5,124			–	5,124	**0.03%**	5,124	**0.03%**
Czerepak, Elizabeth						–			11,666	–	**0.00%**	11,666	**0.07%**
Stavroula Kousteni, Ph.D.						421			–	421	**0.00%**	421	**0.00%**
Robert L. Jilka, Ph.D.						572			–	572	**0.00%**	572	**0.00%**
Robert S. Weinstein, M.D.						421			–	421	**0.00%**	421	**0.00%**
Teresita M. Bellido, Ph.D.						234			–	234	**0.00%**	234	**0.00%**
Chris Glass						–			1,333	–	**0.00%**	1,333	**0.01%**
Dotty McIntyre, RA						891			–	891	**0.01%**	891	**0.01%**
Thomas E. Sparks, Jr.						883			–	883	**0.01%**	883	**0.00%**
Sam Ho						833			–	833	**0.01%**	833	**0.00%**
Charles O' Brien, Ph.D.						140			–	140	**0.00%**	140	**0.00%**
Alwyn Michael Parfitt, M.D.						280			–	280	**0.00%**	280	**0.00%**
Barry Pitzele						266			–	266	**0.00%**	266	**0.00%**
Benita S. Katzenellenbogen, Ph.D.						187			–	187	**0.00%**	187	**0.00%**
Kelly Colbourn						102			–	102	**0.00%**	102	**0.00%**
Julie Glowacki, Ph.D.						93			–	93	**0.00%**	93	**0.00%**
Socrates E. Papapoulos, M.D.						93			–	93	**0.00%**	93	**0.00%**
Tonya D. Smith						66			–	66	**0.00%**	66	**0.00%**
Kent Westbrook, M.D.						46			–	46	**0.00%**	46	**0.00%**
Edie Estabrook						–			4,266	–	**0.00%**	4,266	**0.02%**
Maysoun Shomali						2,383			–	2,383	**0.01%**	2,383	**0.01%**
Lumpkins, Mary						–			400	–	**0.00%**	400	**0.00%**
Guerriero, Jonathan						2,500			12,166	2,500	**0.02%**	14,666	**0.08%**
Grunwald, Maria						–			14,666	–	**0.00%**	14,666	**0.08%**
McCarthy, Daniel F.						–			3,200	–	**0.00%**	3,200	**0.02%**
Sullivan, Kelly						–			1,666	–	**0.00%**	1,666	**0.01%**
Welch, Kathy						–			6,400	–	**0.00%**	6,400	**0.04%**

Richard Lyttle						66,666			489,227	66,666	**0.42%**	555,893	**3.14%**
Louis O' Dea						29,207			165,355	29,207	**0.18%**	194,562	**1.10%**
Nick Harvey						30,000			143,716	30,000	**0.19%**	173,716	**0.98%**
Gary Hattersley						–			83,384	–	**0.00%**	83,384	**0.47%**
Chris Miller						33,355			30,498	33,355	**0.21%**	63,853	**0.36%**
ESOP Remaining						–			315,172	–	**0.00%**	315,172	**1.78%**
Additions to Option Plan									–	–	**0.00%**	–	**0.00%**
Total	4,132,614	9,832,133	1,422,300	40,003	64,430	555,594	8,188	266	1,634,860	16,047,074	**100.00%**	17,690,388	**100.00%**
									Per Share	$ 8.1420		$ 8.1420	
									Post-money				
									$	$ 130,655,277		$ 144,035,139	

2. In connection with that certain Loan and Security Agreement, dated as of August 6, 2004, by and between the Corporation and Silicon Valley Bank ("SVB"), as amended, the Corporation issued to SVB a warrant exercisable for the purchase of an aggregate of up to 20,000 shares of Series A Junior Convertible Preferred Stock at $1.00 per share (as amended, the "SVB Warrant"). The warrant, which expires in August 2014, will be amended and restated as of the Stage I Closing Date to purchase shares of the Corporation' s common stock. The warrant was 100% vested as of the grant date.

3. Series A Convertible Redeemable Preferred Stock Purchase Agreement, dated November 14, 2003, by and among the Corporation and the stockholders listed on the schedules thereto.

4. Series B Convertible Redeemable Preferred Stock Purchase Agreement, dated November 14, 2003, by and among the Corporation and the stockholders listed on the schedules thereto.

5. Series C Convertible Redeemable Preferred Stock Purchase Agreement, dated December 15, 2006, by and among the Corporation and the Investors referenced therein, as amended by Amendment No. 1 thereto, dated February 12, 2007, Amendment No. 2 thereto, dated February 22, 2007, Amendment No. 3 thereto, dated August 17, 2007, and Amendment No. 4 thereto, dated November 14, 2008.

6. Fourth Amended and Restated Certificate of Incorporation of the Corporation filed with the Secretary of State of the State of Delaware on May 17, 2011.

7. Growth Capital Loan Proposal Letter by and among the Corporation, GE Healthcare Financial Services, Inc., and Oxford Finance Corporation, dated December 21, 2010. The proposed loan documents would include an obligation of the Corporation to issue a warrant to purchase Series A-1 Convertible Preferred Stock for 4% of the principal as drawn, equaling $1,000,000 (4% of $25 million).

8. In connection with that certain Letter Agreement by and between the Corporation and Leerink Swann LLC ("Leerink"), dated September 24, 2010, the Corporation is obligated to issue a warrant to purchase Series A-1 Convertible Preferred Stock of the Corporation (the "Leerink Warrant").

9. Stock Issuance Agreement by and between the Corporation and Nordic Bioscience Clinical Development VII A/S ("Nordic"), dated March 29, 2011.

10. In connection with that certain License Agreement, dated September 27, 2005, by and between SCRAS S.A.S., a French corporation, with its principal office at 42, Rue du Docteur Blanche, 75016 Paris, France, on behalf of itself and its Affiliates (collectively, "Ipsen"), and the Corporation, as amended on September 12, 2007, and assigned by SCRAS S.A.S. to successor Ipsen Pharma SAS on January 1, 2009 (the "Ipsen License Agreement"), the Corporation is currently in discussions with Ipsen to make its payment milestones to Ipsen pursuant to the Ipsen License Agreement with shares of Series A-1 Preferred Stock at $8.142 per share.

11. 2007 Amended and Restated Management and Employee Bonus Plan approved at a meeting of the Board of Directors of the Corporation held on October 1, 2009 and approved by the Stockholders by written consent on November 11, 2009, which shall be terminated by written agreement of the participants effective upon the Closing.

Schedule 5.6(a)

Business of the Corporation

None.

Schedule 5.6

Business of the Corporation

A. Loan Agreements

1. Growth Capital Loan Proposal Letter by and among the Corporation, GE Healthcare Financial Services, Inc., and Oxford Finance Corporation, dated December 21, 2010.

2. Demand Promissory Note issued by MPM Acquisition Corp. to the Corporation, dated November 22, 2010.

B. License Agreements

1. Ipsen License Agreement.

2. Pharmaceutical Development Agreement by and between the Corporation and Ipsen, dated January 2, 2006, as amended by Amendment No. 1, dated January 1, 2007, Amendment No. 2, dated January 1, 2009, and Amendment No. 3, dated June 16, 2010.

3. License Agreement, dated June 29, 2006, by and between Eisai Co. and the Corporation.

C. Research, Development and/or Service Agreements

1. Development and Clinical Supplies Agreement by and between the Corporation, 3M Company and 3M Innovative Properties (3M Company and 3M Innovative Properties, collectively, "3M"), dated June 19, 2009, as amended on each of May 5, 2009, December 31, 2009, March 3, 2010, September 16, 2010, September 29, 2010, February 4, 2011, and March 2, 2011.

2. Letter of Payment Authorization for Study No. 670364 by and between the Corporation and Charles River Laboratories ("CRL"), dated November 20, 2010.

3. Letter of Payment Authorization for Dawley Rat - Rat Bone Quality Study by and between the Corporation and CRL, dated February 7, 2011.

4. Work Order No. 2 by and between the Corporation and LONZA Sales Ltd. ("Lonza"), dated January 15, 2010, as amended April 27, 2010, and as further amended December 15, 2010.

5. Letter Agreement by and between the Corporation and Leerink , dated February 4, 2010.

6. Letter Agreement by and between the Corporation and Leerink, dated September 24, 2010.

7. Stock Issuance Agreement by and between the Corporation and Nordic, dated March 29, 2011.

8. Amendment Letter by and between the Corporation and Nordic, dated February 1, 2011.

9. Clinical Trial Services Agreement and Work Statement NB-1 by and between the Corporation and Nordic, dated March 29, 2011.

10. Side Letter by and between the Corporation and Nordic, dated March 29, 2011.

11. Engagement Letter by and between the Corporation and Ernst & Young LLP, dated October 5, 2010.

12. Master Clinical Services Agreement by and between the Corporation and Celerion, Inc., dated November 2, 2010, as amended by Work Order No. 1, dated November 3, 2010.

13. Change Order No. 2 to Statement of Work by and between the Corporation and INC Research, Inc., dated September 3, 2010.

14. Letter of Payment Authorization for Chronic Dermal Toxicity Study by and between the Corporation and CRL, dated April 29, 2011.

D. Real Property

1. Sublease by and between the Corporation and Sonos, Inc., dated January 14, 2011, for the property located at 201 Broadway, Cambridge, Massachusetts.

E. ERISA

1. Radius Health, Inc. 401(k) Plan

2. Radius Health, Inc. Flexible Spending Account Plan

F. Indemnification Agreements

1. Please see Schedule 5.6(g).

2. Please see general commercial agreement indemnification provisions included in the material license agreements listed above.

G. Other Agreements

1. Pursuant to an engagement with Leerink Swann LLC ("Leerink") for services in connection with the Series A-1 Financing, the Corporation has agreed to issue to Leerink a Warrant to purchase 24,564 shares of Series A-1 Convertible Preferred Stock at the Stage I Closing.

2. Amended and Restated Stockholders' Agreement, dated as of December 15, 2006, by and between the Corporation, the Investors, the Original Stockholders, the Series A Stockholders and the Series B Stockholders (each as defined therein), as amended by Amendment No. 1 thereto, dated as of February 22, 2007, Amendment No. 2 thereto, dated as of August 17, 2007, and Amendment No. 3 thereto, dated as of October , 2008.

3. The Corporation has granted Alan Auerbach registration rights with respect to shares issuable upon exercise of granted options.

4. The Corporation has granted registration rights to SVB pursuant to the terms of the SVB Warrant.

5. The Corporation has granted board observation rights to BB Biotech Ventures II, L.P. pursuant to a Letter Agreement dated as of February 22, 2007, by and between the Corporation and BB Biotech Ventures II, L.P.

H. Stock Option Plans

1. 2003 Long Term Incentive Plan

2. 2007 Management and Employee Bonus Plan approved at a meeting of the Board of Directors of the Corporation held on December 6, 2007 and approved by the Stockholders by written consent on February 14, 2008, which shall be terminated by written agreement of the participants effective upon the Closing.

I. Stock Option Agreements

The Corporation has entered into Stock Option Agreements with the following individuals:

Option Number	Name	# Options	Grant Date	Options Canceled	Options Outstanding
04-051	Ho, Sam	10,000	5/4/2004		–
03-002	Lane, Ben	325,000	12/16/2003	203,125	–
03-003	Henderson, Bart	650,000	12/16/2003	192,969	–
03-001	Hattersley, Gary	162,500	12/16/2003		162,500
04-003	O' Brien, Charles	8,000	2/5/2004		8,000
04-005	Kousteni, Stavroula	30,000	2/5/2004		30,000
03-005	Manolagas, Stavros	1,108,812	11/14/2003		–
03-008	Rosenblatt, Michael	370,241	11/14/2003		–
03-007	Potts, John Thomas	304,374	11/14/2003		–
03-006	Katsenellenbogen, John	606,573	11/14/2003		–
03-004	Pitzele, Barnett	5,000	12/16/2003	1,000	–
04-001	Bellido, Teresita	17,000	2/4/2004		17,000
04-002	Jilka, Robert	28,000	2/4/2004		25,725
04-004	Weinstien, Robert	17,000	2/4/2004		17,000

04-072	Glass, Chris	10,000	8/12/2004		10,000
04-052	Estabrook, Edith	24,000	5/4/2004		24,000
04-071	Colbourn, Kelly	1,000	8/12/2004		–
04-103	Lyttle, Richard	1,625,000	10/28/2004		1,625,000
04-101	Guy, Keisha	8,000	10/28/2004	8,000	–
04-102	McIntyre, Dotty	8,000	10/28/2004	2,000	–
04-100	Shomali, Maysoun	15,000	12/28/2004	15,000	–
05-01	Glass, Chris	10,000	12/6/2005		10,000
06-02	Hattersley, Gary	81,250	2/15/2006		81,250
06-04	Guy, Keisha	8,000	2/15/2006	8,000	–
06-05	McIntyre, Dotty	8,000	2/15/2006	4,000	–
06-06	Shomali, Maysoun	15,000	2/15/2006	15,000	–
06-01	Ho, Sam	10,000	2/15/2006	7,500	–
06-03	Colbourn, Kelly	3,000	2/15/2006	2,469	–
06-07	O' Dea, Louis	570,000	2/15/2006		339,625
07-01	McIntyre, Dotty	27,000	7/12/2007	23,625	–
07-08	Lyttle, Richard	2,377,688	7/12/2007		2,377,688
07-07	O' Dea, Louis	830,941	7/12/2007		623,206
07-09	Harvey, B. Nicholas	1,250,840	7/12/2007		1,250,840
07-06	Hattersley, Gary	356,653	7/12/2007		356,653
07-10	Miller, Chris	500,336	7/12/2007		–
07-11	Katsenellenbogen, John	100,000	7/12/2007		100,000
07-12	Potts, John Thomas	540,790	7/12/2007		540,790
07-13	Rosenblatt, Michael	660,491	7/12/2007		412,805
07-02	Shomali, Maysoun	44,000	7/12/2007	8,250	–
07-03	Estabrook, Edith	16,000	7/12/2007		16,000
07-05	Lumpkins, Mary	3,000	7/12/2007		3,000

07-04	Guerriero, Jonathan	100,000	7/12/2007		62,500
07-14	Grunwald, Maria	137,500	12/6/2007		137,500
07-15	Herendeen, Hillary	8,000	12/6/2007	8,000	–
07-16	Downall, Julie	8,000	12/6/2007	8,000	–
08-01	Welch, Kathy	60,000	2/7/2008		60,000
08-09	Lyttle, Richard	3,040,081	5/8/2008		3,040,081
08-05	O' Dea, Louis	1,064,028	5/8/2008		1,064,028
08-06	Harvey, B. Nicholas	950,025	5/8/2008		950,025
08-08	Hattersley, Gary	456,012	5/8/2008		456,012
08-07	Miller, Chris	380,010	5/8/2008	23,751	356,259
08-02	McCarthy, Daniel F.	30,000	5/8/2008		30,000
08-03	Zielstorff, Mark	10,000	5/8/2008	10,000	–
08-04	Gallacher, Kyla	10,000	5/8/2008	10,000	–
08-14	Lyttle, Richard	1,295,640	12/3/2008		1,295,640
08-10	O' Dea, Louis	453,474	12/3/2008		453,474
08-11	Harvey, B. Nicholas	404,888	12/3/2008		404,888
08-13	Hattersley, Gary	194,346	12/3/2008		194,346
08-12	Miller, Chris	161,955	12/3/2008	60,734	101,221
08-26	Potts, John Thomas	167,891	12/3/2008		167,891
08-25	Rosenblatt, Michael	204,715	12/3/2008		204,715

08-16	Grunwald, Maria	82,500	12/3/2008		82,500
08-15	Guerriero, Jonathan	120,000	12/3/2008		120,000
08-17	Shomali, Maysoun	50,000	12/3/2008	50,000	–
08-18	Welch, Kathy	36,000	12/3/2008		36,000
08-19	Estabrook, Edie	24,000	12/3/2008		24,000
08-20	McCarthy, Daniel F.	18,000	12/3/2008		18,000
08-21	Gallacher, Kyla	6,000	12/3/2008	6,000	–
08-22	Zielstorff, Mark	6,000	12/3/2008	6,000	–
08-23	Downall, Julie	4,800	12/3/2008	4,800	–
08-24	Lumpkins, Mary	3,000	12/3/2008		3,000
09-01	Sullivan, Kelly	25,000	4/9/2009		25,000
09-02	McKay, Kathleen	45,000	4/9/2009	45,000	–
09-03	Czerepak, Elizabeth	75,000	4/9/2009		75,000
09-04	Czerepak, Elizabeth	75,000	12/2/2009		75,000
10-01	Auerbach, Alan	2,084,602	10/12/2010		2,084,602
10-02	Auerbach, Alan	1,765,398	10/12/2010		1,765,398
10-03	Czerepak, Elizabeth	25,000	11/30/2010		25,000

Option Number	Name	# Options	Grant Date	Options Canceled	Options Outstanding
04-051	Ho, Sam	10,000	5/4/2004		–
03-002	Lane, Ben	325,000	12/16/2003	203,125	–
03-003	Henderson, Bart	650,000	12/16/2003	192,969	–
03-001	Hattersley, Gary	162,500	12/16/2003		162,500
03-005	Manolagas, Stavros	1,108,812	11/14/2003		–
03-008	Rosenblatt, Michael	370,241	11/14/2003		–
03-007	Potts, John Thomas	304,374	11/14/2003		–
03-006	Katsenellenbogen, John	606,573	11/14/2003		–
03-004	Pitzele, Barnett	5,000	12/16/2003	1,000	–
04-072	Glass, Chris	10,000	8/12/2004		10,000
04-052	Estabrook, Edith	24,000	5/4/2004		24,000
04-071	Colbourn, Kelly	1,000	8/12/2004		–
04-103	Lyttle, Richard	1,625,000	10/28/2004		1,625,000
04-101	Guy, Keisha	8,000	10/28/2004	8,000	–
04-102	McIntyre, Dotty	8,000	10/28/2004	2,000	–
04-100	Shomali, Maysoun	15,000	12/28/2004	15,000	–
05-01	Glass, Chris	10,000	12/6/2005		10,000
06-02	Hattersley, Gary	81,250	2/15/2006		81,250
06-04	Guy, Keisha	8,000	2/15/2006	8,000	–
06-05	McIntyre, Dotty	8,000	2/15/2006	4,000	–
06-06	Shomali, Maysoun	15,000	2/15/2006	15,000	–
06-01	Ho, Sam	10,000	2/15/2006	7,500	–
06-03	Colbourn, Kelly	3,000	2/15/2006	2,469	–
06-07	O' Dea, Louis	570,000	2/15/2006		339,625
07-01	McIntyre, Dotty	27,000	7/12/2007	23,625	–
07-08	Lyttle, Richard	2,377,688	7/12/2007		2,377,688
07-07	O' Dea, Louis	830,941	7/12/2007		623,206
07-09	Harvey, B. Nicholas	1,250,840	7/12/2007		1,250,840

07-06	Hattersley, Gary	356,653	7/12/2007		356,653
07-11	Katsenellenbogen, John	100,000	7/12/2007		100,000
07-12	Potts, John Thomas	540,790	7/12/2007		540,790
07-13	Rosenblatt, Michael	660,491	7/12/2007		412,805
07-02	Shomali, Maysoun	44,000	7/12/2007	8,250	–
07-03	Estabrook, Edith	16,000	7/12/2007		16,000
07-05	Lumpkins, Mary	3,000	7/12/2007		3,000
07-04	Guerriero, Jonathan	100,000	7/12/2007		62,500
07-14	Grunwald, Maria	137,500	12/6/2007		137,500
07-15	Herendeen, Hillary	8,000	12/6/2007	8,000	–
07-16	Downall, Julie	8,000	12/6/2007	8,000	–
08-01	Welch, Kathy	60,000	2/7/2008		60,000
08-09	Lyttle, Richard	3,040,081	5/8/2008		3,040,081
08-05	O' Dea, Louis	1,064,028	5/8/2008		1,064,028
08-06	Harvey, B. Nicholas	950,025	5/8/2008		950,025
08-08	Hattersley, Gary	456,012	5/8/2008		456,012
08-02	McCarthy, Daniel F.	30,000	5/8/2008		30,000

08-03	Zielstorff, Mark	10,000	5/8/2008	10,000	–
08-04	Gallacher, Kyla	10,000	5/8/2008	10,000	–
08-14	Lyttle, Richard	1,295,640	12/3/2008		1,295,640
08-10	O' Dea, Louis	453,474	12/3/2008		453,474
08-11	Harvey, B. Nicholas	404,888	12/3/2008		404,888
08-13	Hattersley, Gary	194,346	12/3/2008		194,346
08-26	Potts, John Thomas	167,891	12/3/2008		167,891
08-25	Rosenblatt, Michael	204,715	12/3/2008		204,715
08-16	Grunwald, Maria	82,500	12/3/2008		82,500
08-15	Guerriero, Jonathan	120,000	12/3/2008		120,000
08-17	Shomali, Maysoun	50,000	12/3/2008	50,000	–
08-18	Welch, Kathy	36,000	12/3/2008		36,000
08-19	Estabrook, Edie	24,000	12/3/2008		24,000
08-20	McCarthy, Daniel F.	18,000	12/3/2008		18,000
08-21	Gallacher, Kyla	6,000	12/3/2008	6,000	–
08-22	Zielstorff, Mark	6,000	12/3/2008	6,000	–
08-23	Downall, Julie	4,800	12/3/2008	4,800	–
08-24	Lumpkins, Mary	3,000	12/3/2008		3,000
09-01	Sullivan, Kelly	25,000	4/9/2009		25,000
09-02	McKay, Kathleen	45,000	4/9/2009	45,000	–
09-03	Czerepak, Elizabeth	75,000	4/9/2009		75,000
09-04	Czerepak, Elizabeth	75,000	12/2/2009		75,000
10-01	Auerbach, Alan	2,084,602	10/12/2010		2,084,602
10-02	Auerbach, Alan	1,765,398	10/12/2010		1,765,398
10-03	Czerepak, Elizabeth	25,000	11/30/2010		25,000

J. Consulting Agreements

The Corporation has entered into consulting agreements with the following parties:

Party	Effective Date
1. Dr. John Bilezidian	9/14/2005
2. Dr. David Archer	10/24/2005
3. Beckloff Associates, Inc	6/18/2004
4. Terisita Bellido	6/24/2004
5. Dr. M. Shalender Bashin	1/3/2006
6. IntaPro LLC	3/22/2005
7. Access BIO, LC	7/8/2005
8. Dr. John C. Chabala	5/3/2004
9. SVC Associates, Inc	10/25/2005
10. Burton G Christensen	7/23/2004
11. Dr. Mitchell Creinin	10/17/2005
12. Frame and Spence Consulting LLP	7/21/2005
13. Dr. Christopher Glass	9/1/2004
14. Dr. Frances J. Hayes	4/21/2005
15. TLG Consulting Inc	7/1/2005
16. Robert A. Jassmond	4/18/2006
17. Robert Jilka	6/24/2004
18. Dr. John Katzenellenbogen	11/14/2003
19. Cathy Kerzner	11/18/2005
20. Stavroula Kousteni	6/24/2004
21. Richard Labaudiniere	1/1/2004
22. Robert Lindsay	07/26/2004
23. Willis Maddrey	07/23/2004
24. Dr. Stavros C. Manolagas	11/14/2003
25. Dr. Stavros C. Manolagas	12/14/2005
26. Musso and Associates LLC	06/24/2005
27. Musso and Associates LLC	03/08/2006
28. Robert M. Neer	11/22/2005
29. Anthony Norman	6/4/2004
30. Charles O' Brien	06/24/2004
31. Skokie Valley Consulting Agrmt	12/01/2003
32. PK Noonan & Associates LLC	07/08/2005
33. Dr. John Thomas Potts, Jr	11/14/2003
34. Dr. Cliff Rosen	07/22/2005
35. Dr. Michael Rosenblatt	11/14/2003
36. Joseph S. Simon	07/08/2005
37. Ian Smith	07/13/2004
38. Gilbert Stork	07/13/2004
39. KellySci Consulting Inc.	11/16/2007
40. Robert J. Szot	06/22/2005
41. Robert Weinstein	06/24/2004
42. ChanTest Inc	11/08/2005
43. Diamond BioPharm Ltd	10/26/2007
44. Diamond BioPharm Ltd	8/15/2007

45. Diamond BioPharm Ltd	8/15/2007
46. Team Consulting Ltd	8/18/2007
47. Joel Morganroth	10/23/2007
48. Joel Morganroth	10/10/2006
49. INTAPRO LLC	3/22/2005
50. Roy Swaringen	3/6/2008
51. Skokie Valley Consulting Corp.	12/1/2003
52. Target Health Inc.	4/14/2006
53. LGL Consulting LLC	4/28/2008
54. David Archer	3/26/2008
55. Osheroff Consulting Services LLC	8/15/2008
56. Dylan J. Callahan a.k.a. d/b/a Organized Minds	6/1/2008
57. PK Noonan & Associates LLC	9/15/2008
58. Matrix BioAnalytical Laboratories Inc	4/11/2008
59. Prof David Handelsman	2/9/2009
60. David Goltzman	3/4/2009
61. Professor Dennis Black	4/14/2009
62. Dr. Radha Iyengar	7/20/2009
63. Frame and Spence Consulting LLP	5/5/2009
64. Access Bio LC	8/20/2009
65. David Archer, MD	3/27/2009
66. Jean-Francois Sibi	11/2/2009
67. Diamond Biopharm Ltd	11/9/2009
68. Harry Genant, MD	12/12/2009
69. Radha Iyengar	1/19/2010
70. Safety Partners, Inc.	06/03/2004
71. Joel Morganroth	10/10/2006
72. Joel Morganroth	10/23/2007
73. Robert Schenken	07/24/2004
74. Kathleen Banks	11/13/2009
75. Goldmann Consulting LLC	7/5/2010
76. Duck Flats Pharma LLC	8/2/2010
77. Dennis Black	11/29/2010
78. Welsh Consulting	1/20/2011
79. Michael Gross	5/3/2011

K. Employment Agreements

1. Letter Agreement by and between the Corporation and C. Richard Edmund Lyttle, dated July 2, 2004.

2. Letter Agreement by and between the Corporation and B. Nicholas Harvey, dated November 15, 2006.

3. Letter Agreement by and between the Corporation and Louis St. Laurence O' Dea, dated January 30, 2006, as amended by Letter Agreement dated July 21, 2008.

4. Letter Agreement by and between the Corporation and Gary Hattersley, dated November 21, 2003, as amended by Letter Agreement dated July 21, 2008.

5. See also Attachment A to this Schedule 5.6 for the Form of Letter Agreement entered into by and between the Corporation and its at-will employees.

Attachment A to Schedule 5.6

Form of Employee Letter Agreement

,2007

Dear :

It is my pleasure to offer you the position of at Radius Health, Inc. (the "Company"). As you know, I am excited about the contributions that I expect you will make to the success of the Company. Accordingly, if you accept this offer, I would like us to agree that you could start at Radius on or before (the "Start Date"). This offer may be accepted by you by countersigning where indicated at the end of this letter.

DUTIES AND EXTENT OF SERVICE

As , you will report to and you will have responsibility for performing those duties as are customary for, and are consistent with, such position, as well as those duties that may be designated to you from time to time. As you know, your employment will be contingent upon your agreeing to abide by the rules, regulations, instructions, personnel practices, and policies of the Company and any changes therein that the Company may adopt from time to time, and your execution of the Company' s standard Nondisclosure, Developments, and Non-Competition Agreement.

COMPENSATION AND BENEFITS

Your salary will be $ per semi-monthly pay period, minus applicable taxes and withholdings. Such salary may be adjusted from time to time in accordance with normal business practice and in the sole discretion of the Company.

You will be entitled to three weeks paid vacation annually. You will also be entitled to participate in such employee benefit plans and fringe benefits as may be offered or made available by the Company to its employees.

STOCK OPTIONS

At the first meeting of the Company' s Board of Directors following your Start Date, it is my intention that the Company will recommend to the Board of Directors that you receive a common stock option grant of shares. This offer is contingent upon approval by the Board of Directors of your option grant specifically. Promptly after the Grant Date, the Company and you will execute and deliver to each other the Company' s then standard form of stock option agreement, evidencing the Option and the terms thereof. As you know, the Option shall be subject to, and governed by, the terms and provisions of the Plan and your stock option agreement.

NONDISCLOSURE, DEVELOPMENTS AND NON-COMPETITION

As you know, prior to commencing, and as a condition to your employment with the Company, all employees are required to agree to sign a copy of the Company' s standard Nondisclosure, Developments, and Non-Competition Agreement. The Company will ask you to sign this agreement after you have signed and returned this letter and prior to or on your Start Date.

At-Will Employment

This letter shall not be construed as an agreement, either expressed or implied, to employ you for any stated term, and shall in no way alter the Company' s policy of employment at-will, under which both you and the Company remain free to terminate the employment relationship, with or without cause, at any time, with or without notice. Similarly, nothing in this letter shall be construed as an agreement, either express or implied, to pay you any compensation or grant you any benefit beyond the end of your employment with the Company. In addition, nothing in any documents published by the Company shall in any way modify the above terms and these terms cannot be modified in any way by any oral or written representations made by anyone employed by the Company, except by written document signed by C. Richard Lyttle.

NO CONFLICTING OBLIGATION AND OBLIGATIONS

You represent and warrant that the performance by you of any or all of the terms of this letter agreement and the performance by you of your duties as an employee of the Company do not and will not breach or contravene (i) any agreement or contract (including, without limitation, any employment or consulting agreement, any agreement not to compete or any confidentiality or nondisclosure agreement) to which you are or may become a party on or at an time after the Start Date or (ii) any obligation you may otherwise have under applicable law to any former employer or to any person to whom you have provided, provide or will provide consulting services.

I am pleased on behalf of Radius to extend this offer to have you join us. This is an exciting time for Radius and we would be delighted to have you as part of our organization.

Please acknowledge your acceptance of this offer and the terms of this letter agreement by signing below and returning a copy to me.

Sincerely,

I hereby acknowledge that I have had a full and adequate opportunity to read, understand and discuss the terms and conditions contained in this letter agreement prior to signing hereunder.

Date this day of , 20

Schedule 5.6(e)

Business of the Corporation

None.

Schedule 5.6(f)

Business of the Corporation

None.

Schedule 5.6(g)

Business of the Corporation

1. Indemnification Agreement, dated November 14, 2003, by and between the Corporation and Michael Rosenblatt, M.D.

2. Indemnification Agreement, dated November 14, 2003, by and between the Corporation and Christopher Mirabelli.

3. Indemnification Agreement, dated November 14, 2003, by and between the Corporation and Augustine Lawlor.

4. Indemnification Agreement, dated November 14, 2003, by and between the Corporation and Ansbert K. Gadicke.

5. Indemnification Agreement, dated November 14, 2003, by and between the Corporation and Edward Mascioli, M.D.

6. Indemnification Agreement, dated October 12, 2010, by and between the Corporation and Alan Auerbach.

Schedule 5.12(a)

Intellectual Property

1. The Corporation has filed for registration of its trademark rights in the following marks:

    - N (Design), Application No. 78/391,239, Filing Date: 26-Mar-2004
    - RADIUS, Application No. 78/707,397, Filing Date: 06-Sep-2005
    - RADIUS, Application No. 78/707,419, Filing Date: 06-Sep-2005
    - RADIUS (& Design), Application No. 78/797,031, Filing Date: 23-Jan-2006
    - RADIUS (& Design), Application No. 78/797,016), Filing Date: 23-Jan-2006

2. Domain name: www.radiuspharm.com

3. See also Attachment A to this Schedule 5.12(a).

Attachment A to Schedule 5.12(a)

RADIUS PATENT AND PATENT APPLICATION SUMMARY

RAD-1901

A. Owned by Radius

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Title
3803.1016-000 (US)	61/127,025 (5/09/08)	Richard C. Lyttle, Gary Hattersley, Louis O' Dea	Expired	Pharmaceutical Combinations and Methods of Using Same
3803.1016-001 (PCT)	PCT/US2009/002885 (5/07/09)	Richard C. Lyttle, Gary Hattersley, Louis O' Dea	Pending	Pharmaceutical Combinations and Methods of Using Same
3803.1016-002 (US)	12/991,791 (5/7/09)	Richard C. Lyttle, Gary Hattersley, Louis O' Dea	Pending	Pharmaceutical Combinations and Methods of Using Same
3803.1022-000 (US)	61/334,095 (5/12/10)	Richard C. Lyttle, Gary Hattersley, Louis O' Dea	Pending (Provisional)	Therapeutic Regimens

B. Jointly Owned by Radius and Eisai

HBSR Docket No.	Application Number (Pub. Number-Date) and Filing Date	Inventors	Status	Title
3803.1001-000 (US)	60/816,191 (6/23/06)	Richard C. Lyttle, Bart Henderson, Gary Hattersley	U.S. Provisional; (Expired 06/23/07)	Treatment of Vasomotor Symptoms With Selective Estrogen Receptor Modulators
3803.1001-002 (PCT)	PCT/US2007/014598 (WO2008/002490-1/3/08) 6/22/07	Richard C. Lyttle, Bart Henderson, Gary Hattersley	Expired	Treatment of Vasomotor Symptoms With Selective Estrogen Receptor Modulators

C. Solely Owned by Radius

HBSR Docket No.	Application Number (Pub. Number-Date) and Filing Date	Inventors	Status	Short Description
3803.1001-003 (US)	12/308,640 (6/22/07) (US 2010/0105733 A1-4/29/2010)	Richard C. Lyttle, Bart Henderson, Gary Hattersley	U.S. National Stage of PCT Pending	Treatment of Vasomotor Symptoms With Selective Estrogen Receptor Modulators
3803.1001-004 (Europe)	07796378.3 (6/22/07) (EP2037905-3/25/09)	Richard C. Lyttle, Bart Henderson, Gary Hattersley	EP Regional Phase Pending	Treatment of Vasomotor Symptoms With Selective Estrogen Receptor Modulators
3803.1001-005 (Canada)	2656067 (6/22/07)	Richard C. Lyttle, Bart Henderson, Gary Hattersley	Canadian National Stage of PCT Pending	Treatment of Vasomotor Symptoms With Selective Estrogen Receptor Modulators

D. Licensed to Radius by Eisai

HBSR Reference No.	Country	App.and/or Patent Number (Pub. Number-Date) and Filing Date	Status	Short Description
3803.0020-003	Australia	2003292625 B2 (2003292625 A1-7/22/2004) 12/25/03	Granted 11/6/2008 Australian National Stage of PCT	Selective Estrogen Receptor Modulators
3803.0020-004	Canada	2512000 12/25/03	Pending Canadian National Stage of PCT	Selective Estrogen Receptor Modulators
3803.0020-002	Europe	EP 2003782904 (1577288 A1-9/21/05) 12/25/03	Pending European Regional Stage of PCT	Selective Estrogen Receptor Modulators
3803.0020-001	USA	US. Patent No. 7,612,114 11/158,245 (2006/0116364-6/1/06) 6/22/05	Granted Continuation-in-Part of U.S. Designation of PCT	Selective Estrogen Receptor Modulators

HBSR Reference No.	Country	App.and/or Patent Number (Pub. Number-Date) and Filing Date	Status	Short Description
3803.0020-000	PCT	PCT/JP2003/016808 (12/25/03) Publication No. WO 2004/058682 (7/15/04)	Expired	Selective Estrogen Receptor Modulators
3803.0020-005	India	2829/DELNP/2005 (12/25/2003)	Pending Indian National Stage of PCT	Selective Estrogen Receptor Modulators
3803.0020-006	Australia	Div. of 2003292625 B2	Pending	Selective Estrogen Receptor Modulators
3803.0020-007	United States	Application No. 12/544,965 8/20/2009 Publication No. US2009/0325930 12/31/2009	Pending	Selective Estrogen Receptor Modulators

SARMS

A. Owned by Radius

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1015-000 (US)	61/066,697 (02/22/08)	Chris P. Miller	Expired	Selective Androgen Receptor Modulators
3803.1015-001 (US)	61/132,353 (6/18/08)	Chris P. Miller	Expired	Selective Androgen Receptor Modulators
3803.1015-002 (US)	61/205,727 (1/21/09)	Chris P. Miller	Expired	Selective Androgen Receptor Modulators

3803.1015-003 (PCT)	PCT/US2009/001035 (2/19/09)	Chris P. Miller	Expired	Selective Androgen Receptor Modulators
3803.1015-004 (US)	12/378,812 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-005 (US)	12/541,489 (8/14/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1015-006 (US)	12/806,636 (8/17/10)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-007 (Australia)	2009215843 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-008 (Brazil)	PI09078444 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-009 (Canada)	2716320 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-010 (Europe)	09712082.8 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-011 (India)	6324DELNP2010 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-012 (Japan)	2010547633 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-013 (Mexico)	MXA2010009162 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1019-000 (US)	61/212,399 (4/10/99)	Chris P. Miller	Expired	Selective Androgen Receptor Modulators
3803.1019-001 (PCT)	PCT/US2010/030480 (4/9/10)	Chris P. Miller	Pending Published as WO2010/118287 (10/14/10)	Selective Androgen Receptor Modulators

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1021-000 (US)	61/301,492 (2/4/10)	Chris P. Miller	Expired	Selective Androgen Receptor Modulators
3803.1021-001 (PCT)	PCT/US2011/023768 (2/4/11)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1023-000 (US)	61/361,168 (7/2/10)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1024-000 (US)	61/387,440 (9/28/10)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators

BaO58

A. Jointly Owned by Radius and Ipsen

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1004-000 (US)	60/848,960 (10/3/06)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Expired	PTHrP Formulation
3803.1004-002 (PCT)	PCT/US2007/021216 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Expired	PTHrP Formulation
3803.1004-003 (US)	12/151,975 (5/9/08)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Granted US Patent No. 7,803,770 (9/28/10)	PTHrP Formulation
3803.1004-004 (Australia)	2007322334 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1004-005 (Brazil)	PU07198213 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-006 (Canada)	2664734 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation

3803.1004-007 (China)	200780037021.9 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-008 (Europe)	07870768.4 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-009 (India)	2340DELNP2009 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-010 (Israel)	197926 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-011 (Japan)	2009531434 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-012 (Korea)	1020097008736 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-013 (Mexico)	MXA2009003569 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1004-014 (New Zealand)	576682 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-015 (Norway)	20091545 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-016 (Russian Federation)	2009116531 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-017 (Singapore)	2009922401 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation

3803.1004-018 (Ukraine)	200904264 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-019 (US)	12/311,418 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-020 (PCT)	PCT/US2009/002868 (5/8/09)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Abandoned	PTHrP Formulation
3803.1004-021 (Hong Kong)	09109160.6 (10/2/09)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-022 (US)	12/855,458 (8/12/10)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation

B. Licensed to Radius by Ipsen (BaO58)

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US	USA	08/626,186 (03/29/96)	U.S. Patent 5,723,577 (03/03/98) Expires 03/29/16	Analogs of PTH
038/US2	USA	08/779,768 (01/07/97)	U.S. Patent 5,969,095 (10/19/99) Expires 3/29/16	Claims BA058
038/US/PCT2	PCT	PCT/US96/11292 (07/03/96)	Expired	Analogs of PTH
038/US/PCT2/EP	Europe	96924355.9 (01/30/98) Regional Phase entry of PCT/US96/11292	European Patent 0 847 278 (09/24/03) Expires 07/03/16 Activation in AT, BE, CH, DE, DK, ES, FI, FR, Gb, GR, IE, IT, LI, LU, MC, NL, PT, SE; Ext: AL, LT, LV, SI Now Abandoned in AL, LT, LU, MC, SI, LV	Analogs of PTH
038/US/PCT2/EP-A	Europe	03077383.2 (07/30/03) Divisional of 96924355.9	European Patent No.:1405861 Expires 7/3/2016 Activation in AT, BE, CH, DE, DK, ES, FI, FR, Gb, GR, IE, IT, LI, LU, MC, NL, PT, SE	Analogs of PTH
038-EP-EPD[3]	Europe	10156965.5 (3/18/2010)	Pending	Analogs of PTH

038/US/PCT2/JP	Japan	9-505897 (07/03/96) Regional Phase entry of PCT/US96/11292	Pending Published 8/17/1999	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US/PCT2/JP-A	Japan	008027/03 (01/16/03) Divisional of 9-505897	Patent No. 4008825 Granted 08/23/07 Expires 7/3/2016	Analogs of PTH
038/US/PCT2/AU	Australia	64834/96 (07/03/96) Regional Phase entry of PCT/US96/11292	Patent No. 707094 (07/01/99) Expires 07/03/16	Analogs of PTH
038/US/PCT2/CA	Canada	2,226,177 (07/03/96) Regional Phase entry of PCT/US96/11292	Patent No.:2,226,177 Expires 7/3/2016	Analogs of PTH
038/US/PCT2/CN	China	96196926.1 (07/03/96) Regional Phase entry of PCT/US96/11292	Patent No. ZL96 196926.1 (2/25/06) Expires 07/03/16	Analogs of PTH
038/US/PCT2/CN-A	China	200410005427.2 (07/03/96) Divisional of 96196926.1	Patent No.. ZL200410005427.7 (8/20/02) Expires 07/03/16	Analogs of PTH
038/US/PCT2/CN-C	China	2006 10100113.4 (7/21/06) Divisional of 2004 10005427.7	Patent No.: ZL200610100113 Expires 7/3/2016	Analogs of PTH
038-CN-DIV[4]	China	20100150544.8	Pending	Analogs of PTH
038/US/PCT2/CN-HK	Hong Kong	99100132.1 (01/13/99) Registration in Hong Kong of 961 96926.1	Patent No. 1 014 876 Expires 07/03/16	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US/PCT2/HU	Hungary	P9901718 (07/03/96) Regional Phase entry of PCT/US96/11292	Patent No.: 226935 Expires 7/3/2016	Analogs of PTH
038/US/PCT2/IL	Israel	122837 (07/03/96 Regional Phase entry of PCT/US96/11292	Patent No. 122837 (02/11/03) Expires 07/03/16	Analogs of PTH
038/US/PCT2/KR	Korea	1998-0700249 (07/03/96) Regional Phase entry of PCT/US96/11292	Patent No. 0500853 (07/04/05) Expires 07/03/16	Analogs of PTH
038/US/PCT2/KR-A	Korea	2004-706338 (04/28/04) Divisional of 1998-0700249	Patent No. 0563600 (3/16/06) Expires 07/03/16	Analogs of PTH
038/US/PCT2/KR-B	Korea	2004-706339 (04/28/04) Divisional of 1998-0700249	Patent No. 0563601 (3/16/06) Expires 07/03/16	Analogs of PTH
038/US/PCT2/KR-C	Korea	2004-706340 (04/28/04) Divisional of 1998-0700249	Patent No. 0563602 (3/16/06) Expires 07/03/16	Analogs of PTH
038/US/PCT2/KR-D	Korea	2004-706341 (04/28/04) Divisional of 1998-0700249	Patent No. 0563112 (3/15/06) Expires 07/03/16	Analogs of PTH
038/US/PCT2/MX	Mexico	PA/a/1998/000418 (07/03/96) Regional Phase entry of PCT/US96/11292	Patent No. 222317 (08/26/04) Expires 07/03/16	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US/PCT2/NZ	New Zealand	312899 (01/20/98) Regional Phase entry of PCT/US96/11292	Patent No. 312899 (02/08/00) Expires 07/03/16	Analogs of PTH

038/US/PCT2/PL	Poland	P.325905 (01/12/98) Regional Phase entry of PCT/US96/11292	Patent No. 186710 (08/07/03) Expires 07/03/16	Analogs of PTH
*038/US/PCT2/RU	Russia	98/102406 (7/3/96)	Patent No. 2,157,699 (10/20/00)	Analogs of PTH
*038/US/PCT2/SG	Singapore	9706046.1 (7/3/96)	Patent No. P-51260 (10/16/01)	Analogs of PTH
*038/US/TW	Taiwan	85108390 (07/11/96)	Patent No. 153897 (08/07/02)	Analogs of PTH
038/US3	USA	08/813,534 (03/07/97)	Patent No. 5,955,574 (09/21/99) Expires 03/29/16	Analogs of PTH
038/US3/PCT2	PCT	PCT/US97/22498 (12/08/97)	Expired	Analogs of PTH
038/US3/PCT2/US2	USA	09/399,499 (09/20/99)	Patent No. 6,544,949 (04/08/03) Expires 03/29/16	Claims a method of treating osteoporosis with BA058 and a pharmaceutical composition including BA058
038/US3/PCT2/US2-A	USA	10/289,519 (11/06/02)	Patent No. 6,921,750 (07/26/05) Expires 03/29/16 **Reissue Application** filed 9/16/06 Application No. 11/523,812	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US3/PCT2/US2-B	USA	11/094,662 (03/30/05)	Patent No. 7632811 Expires 9/6/2019	Analogs of PTH
038/US3/PCT2/EP	Europe	97951595.4 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. EP0948541 (03/29/06) Expires 12/08/17 Activation in: AT, BE, CH, LI, DE, DK, ES, FI, FR, GB, GR, IE, IT, LU, MC, NL, PT, SE; Extension States: AL, LT, LV, MK, RO and SI Now Abandoned in AL, LT, LU, MK, MC, RO, SI	Analogs of PTH
038/US3/PCT2/EP-A	Europe	05026436.5 (12/12/05)	European Patent No. 1645566 Expires 12/8/2017	Analogs of PTH

		Divisional of EP 97951595.4	Activation in: AT, BE, CH, DE, DK, ES, FI, FR, GB, GR, IE, IT, NL, PT, SE	
038/US3/PCT2/JP	Japan	10-530865 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 3963482 06/01/07 Expires 12/08/17	Analogs of PTH
038/US3/PCT2/AU	Australia	55199/98 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 741584 (03/21/02) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/CA	Canada	2,276,614 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 2,276,614 (06/11/02) Expires 12/08/17	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US3/PCT2/CN	China	97181915.7 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. ZL97181915.7 (02/11/04) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/CN-HK	Hong Kong	00105467.3 (12/08/00) Registration of 97181915.7	1026215 (07/09/04) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/CZ	Czech Republic	PV 1999-2398 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No.298937 (02/06/08) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/CZ-A	Czech Republic	PV2005-594 (9/16/05) Divisional of PV 2398-99	Pending	Analogs of PTH
038/US3/PCT2/HU	Hungary	P9904596 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Pending Published 6/28/2000	Analogs of PTH
038/US3/PCT2/HU-A	Hungary	P0600009 (1/11/06)	Pending Published 01/26/2006	Analogs of PTH

		Divisional of HU P 99 04596		
038/US3/PCT2/IL	Israel	130794 (12/08/07) National Stage of PCT/ US97/22498 (12/08/97)	Patent No.130794 (07/03/06) Expires 12/08/17	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US3/PCT2/IN	India	7/MAS/98 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 228906 Expires 1/1/2018	Analogs of PTH
038/US3/PCT2/IN-A	India	63/CHE/2008 (01/08/08) Divisional of 7/MAS/98	Pending	Analogs of PTH
038/US3/PCT2/IN-B	India	456/CHE/2008 (02/22/08) Divisional of 7/MAS/98	Pending	Analogs of PTH
038/US3/PCT2/KR	Korea	1999-7006165 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 0497709 (06/17/05) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/KR-A	Korea	2005-7003295 (2/25/05) Divisional of KR 1999-7006165	Patent No. 0699422 (3/19/07) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/MX	Mexico	Pa/a/1999/006387 (12/08/97)	Patent No. 222316 (08/26/04) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/NZ	New Zealand	336610 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 336610 (11/09/01) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/PL	Poland	P-334438 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 191898 (2/15/06) Expires 12/08/17	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US3/PCT2/PL-A	Poland	P.370525 (10/04/04) Divisional of P.33438	Patent No. 191239 (09/03/07) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/RU	Russia	99117145 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 2,198,182 (02/10/03) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/SG	Singapore	9903165.0 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 66567 (07/18/00) Expires 12/08/17	Analogs of PTH
038/US2/US3/TW	Taiwan	87100028 (01/02/98)	Patent No. 156542 (06/01/02) Expires 01/02/18	Analogs of PTH
038/US/PCT2/CN-C/HK	HK	Filing 07103960.3 4/16/2007	Patent No. HK1096976 Expires 7/3/2016	Analogs of PTH
038/US3/PCT2/US2-C	US	Filing 11/684,383 3/09/2007	Patent No. 7,410,948 (8/12/08) Expires 03/29/16	Analogs of PTH

B. Jointly Owned by Radius and 3M

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1025-000 (US)	61/478,466 (4/22/2011)	Gary Hattersley, Kris J. Hansen, Amy S. Determan	Pending	Method of drug delivery for PTH, PTHrP, and related peptides.

Schedule 5.12(b)

Intellectual Property

1. See items listed as “Jointly Owned” or “Licensed to Radius” in Item 3 of Schedule 5.12(a).

2. Certain rights licensed to 3M pursuant to that certain Development and Clinical Supplies Agreement with 3M dated June 19, 2009.

Schedule 5.12(c)

Intellectual Property

1. See items listed as "Jointly Owned" or "Licensed to Radius" in Item 3 of Schedule 5.12(a).

2. Certain rights licensed to 3M pursuant to that certain Development and Clinical Supplies Agreement with 3M dated June 19, 2009.

Schedule 5.12(e)

Intellectual Property

None.

Schedule 5.12(f)

Intellectual Property

1. See items listed as "Jointly Owned" or "Licensed to Radius" in Item 3 of Schedule 5.12(a).

2. Certain rights licensed to 3M pursuant to that certain Development and Clinical Supplies Agreement with 3M dated June 19, 2009.

Schedule 5.12(g)

Intellectual Property

1. See items listed as "Jointly Owned" or "Licensed to Radius" in Item 3 of Schedule 5.12(a).

2. Certain rights licensed to the Corporation pursuant to that certain Development and Clinical Supplies Agreement with 3M dated June 19, 2009.

Schedule 5.12(h)

Intellectual Property

None.

Schedule 5.12(i)

Intellectual Property

None.

Schedule 5.14(a)

Title to Properties

None.

Schedule 5.14(b)

Title to Properties

1. Sublease by and between the Corporation and Sonos, Inc., dated January 14, 2011, for the property located at 201 Broadway, Cambridge, Massachusetts.

Schedule 5.15

Investments in Other Persons

1. Demand Promissory Note issued by MPM Acquisition Corp. to the Corporation, dated November 22, 2010.

Schedule 5.16

ERISA

1. Radius Health, Inc. 401(k) Plan
2. Radius Health, Inc. Flexible Spending Account Plan

Schedule 5.17

Use of Proceeds

1. The Corporation anticipates using the net proceeds from the sale of the Series A-1 Preferred Stock to complete enrollment of the Phase 3 study of the subcutaneous form of the Corporation' s product candidate BA058 (PTHrP analog), complete the Phase 1b study of the transdermal form of BA058, bolster the Corporation' s balance sheet to improve negotiation leverage with potential partners, and to complete a reverse merger with a publicly reporting Form 10 shell enabling the Corporation to eventually become publicly traded and listed on a national securities exchange such as Nasdaq. The amounts actually expended by the Corporation for the above purposes may vary significantly depending on numerous factors, including future revenue growth, if any, the progress of the Corporation' s research and development efforts and technological advances and hence, the Corporation' s management will retain broad discretion in the allocation of the net proceeds from the Series A-1 Preferred Stock.

Schedule 5.18

Permits and Other Rights; Compliance with Laws

None.

Schedule 5.19

Insurance

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
COMMERCIAL PACKAGE	Travelers Property Casualty Co. of AME	6305876P819	01/30/2011 - 01/30/2012	$5,598.00

PROPERTY

Replacement Cost Valuation on Personal Property
Special Form Causes of Loss including Equipment Breakdown

Scheduled Location

201 Broadway
Cambridge , MA 02139

Limits

Business Personal Property	$1,050,000
Business Income/Extra Expense	$250,000
Property at Unscheduled Location	$50,000
Property in Transit	$50,000

Deductibles

Property	$2,500
Business Income Waiting Period	24 Hours

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
COMMERCIAL PACKAGE	Travelers Property Casualty Co. of AME	6305876P819	01/30/2011 - 01/30/2012	$5,598.00

GENERAL LIABILITY

General Aggregate Limit	$2,000,000
Products/Completed Operations Aggregate	Excluded
Each Occurrence Limit	$1,000,000
Advertising Injury and Personal Injury Limit	$1,000,000
Premises Damage	$300,000
Medical Expense	$10,000

EMPLOYEE BENEFITS LIABILITY (CLAIMS-MADE)

Each Claim Limit	$1,000,000
Aggregate Limit	$3,000,000
Deductible	$0

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
FOREIGN PACKAGE	Travelers Property Casualty Co. of AME	TE06904263	01/30/2011 - 01/30/2012	$2,500.00

INTERNATIONAL GENERAL LIABILITY

General Aggregate Limit	$2,000,000
Products/Completed Operations Aggregate	Excluded
Each Occurrence Limit	$1,000,000
Advertising Injury and Personal Injury Limit	$1,000,000
Premises Damage	$300,000
Medical Expense	$10,000

INTERNATIONAL AUTOMBOBILE

HIRED & NON-OWNED AUTO LIABILITY – EXCESS/DIC

Combined Single Limit for Bodily Injury and/or Property Damage	$1,000,000

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM

FOREIGN PACKAGE	Travelers Property Casualty Co. of AME	TE06904263	01/30/2011 - 01/ 30/2012	$2,500.00

Medical Payments $10,000

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
FOREIGN PACKAGE	Travelers Property Casualty Co. of AME	TE06904263	01/30/2011 - 01/ 30/2012	$2,500.00

FOREIGN VOLUNTARY WORKERS' COMPENSATION

Description of Covered Employees	
International Executive Employees -	State of Hire Benefits
Other International Employees -	Country of Origin Benefits

EMPLOYER' S LIABILITY

Limits of Liability	
Bodily Injury by Accident (Each Accident)	$1,000,000
Bodily Injury by Disease (Aggregate)	$1,000,000
Bodily Injury by Disease (Each Employee)	$1,000,000

Coverage Extensions	
Repatriation/Transportation - Each Person	$25,000
Repatriation/Transportation - Aggregate	$50,000

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
COMMERCIAL AUTOMOBILE	Charter Oak Fire Ins. Co.	BA5881P281	01/30/2011 - 01/ 30/2012	$683.00

HIRED & NON-OWNED AUTO LIABILITY

Combined Single Limit for Bodily Injury and/or Property Damage $1,000,000

HIRED CAR PHYSICAL DAMAGE

Limit	Actual Cash Value

Comprehensive Deductible $0
Collision Deductible $500

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
WORKERS' COMPENSATION	Charter Oak Fire Ins. Co.	UB9485C327	01/30/2011 - 01/30/2012	$4,040.00 *Subject to Audit*

COVERAGEWORKERS' COMPENSATION A -

Statutory in MA

COVERAGEEMPLOYER' S LIABILITY B -

Bodily Injury by Accident (Each Accident) $500,000
Bodily Injury by Disease (Aggregate) $500,000
Bodily Injury by Disease (Each Employee) $500,000

COVERAGEOTHER STATES except C -

ND, OH, WA, WY & those listed in Coverage A

Note: Coverage C has limitations. Please contact WGA if you begin operations in any state not listed under Coverage A.

Based on estimated payroll as follows:

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
WORKERS' COMPENSATION	Charter Oak Fire Ins. Co.	UB9485C327	01/30/2011 - 01/30/2012	$4,040.00 *Subject to Audit*

MA

Class Code	Class Description	Payroll
8810	Clerical Office Employees NOC	$1,300,000
4512	Biomedical Research Laboratories	$1,400,000

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
COMMERCIAL UMBRELLA	St. Paul Fire & Marine Insurance Co.	TE06904241	01/30/2011 - 01/30/2012	$4,004.00

LIMITS OF LIABILITY

Per Occurrence	$5,000,000
General Aggregate	$5,000,000
Self-Insured Retention	$10,000

Underlying Coverages
Domestic General Liability
Domestic Employee Benefits Liability
Domestic Employer' s Liability
Domestic Automobile Liability
Foreign General Liability
Foreign Employer' s Liability
Foreign Automobile Liability

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
PRODUCTS LIABILITY	Federal Insurance Company	35854927	01/30/2011 - 01/30/2012	$55,500.00

LIMITS OF LIABILITY

Aggregate Limit	$10,000,000
Each Occurrence Limit	$10,000,000
Deductible – Each Event	$25,000

Retroactive Dates:

$5,000,000	1/20/2006
$5,000,000 excess of $5,000,000	7/17/2008

Rated on Number of Participant	2,448

Claims-Made Coverage
Defense Costs included in Limit of Liability

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
WORLD WIDE TRANSIT	Allianz Global Corporate Specialty-AGCS	OC91225900	03/25/2011 - 03/25/2012	$16,600.00

Transit Limits

Any One Vessel/Connecting Conveyance	$1,200,000
Any One Aircraft/Connecting Conveyance	$1,200,000
Any One Inland Conveyance	$1,200,000

Deductible	$2,500

Storage Limits

Aptuit	$8,500,000
12 Clinical Sites	$3,200,000
Deductible	$5,000

** No Single Location to exceed $1,100,000*

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
MANAGEMENT LIABILITY	Federal Insurance Company	82108432	10/08/2010 - 10/08/2011	$23,445.00

DIRECTORS' & OFFICERS' LIABILITY

Maximum Aggregate Limit	$5,000,000
Dedicated Limit for Executives	$500,000
Deductibles:	
Non-Indemnified Loss	$0
Indemnified Loss	$25,000
Company Loss	$25,000
Prior & Pending Litigation Date	4/29/2005

Claims-Made Coverage
Defense Costs included in Limit of Liability

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
MANAGEMENT LIABILITY	Federal Insurance Company	82108432	10/08/2010 - 10/08/2011	$23,445.00

EMPLOYMENT PRACTICES LIABILITY

Maximum Aggregate Limit	$5,000,000
Third Party Liability Limit	$5,000,000
Deductibles:	
EPL	$5,000

COVERAGE AND LIMITS		INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
MANAGEMENT LIABILITY		Federal Insurance Company	82108432	10/08/2010 - 10/08/2011	$23,445.00
Third Party	$5,000				
Prior & Pending Litigation Date	4/29/2005				
Claims-Made Coverage					
Defense Costs included in Limit of Liability					
FIDUCIARY LIABILITY					
Maximum Aggregate Limit	$1,000,000				
Deductible	$0				
Prior & Pending Litigation Date	4/29/2005				
Claims-Made Coverage					
Defense Costs included in Limit of Liability					
KIDNAP & RANSOM COVERAGE					
Kidnapping and Extortion Threat	$1,000,000				
Custody	$1,000,000				
Expense	$1,000,000				
Accidental Loss	$1,000,000				
(i) Loss of Life	$1,000,000				
(ii) Mutilation	25%				
(iii) All other	100%				
Legal Liability Costs	$1,000,000				
Emergency Political Repatriation	$500,000				

COVERAGE AND LIMITS		INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
DENMARK - FOREIGN CLINICAL TRIAL		Newline	59001710A188	10/14/2010 - 10/14/2013	$45,000 *(plus 14% tax)*
Policy Limit	5,000,000				
Deductible	1,500				

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
DENMARK - FOREIGN CLINICAL TRIAL	Newline	59001710A188	10/14/2010 - 10/14/2013	$45,000 *(plus 14% tax)*

Number of Subjects	750

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
CZECH REPUBLIC - FOREIGN CLINICAL TRIAL	Newline	59001710A187	10/19/2010 - 10/19/2013	$21,375

Policy Limit	2,500,000
Policy Sublimit	250,000
Deductible	0
Number of Subjects	225

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
ESTONIA - FOREIGN CLINICAL TRIAL	QBE Syndicate 1886	10ME222515KA076	10/19/2010 - 10/19/2013	$17,750

Policy Limit	5,000,000
Deductible	1,500
Number of Subjects	175

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
LITHUANIA - FOREIGN CLINICAL TRIAL	QBE Syndicate 1886	10ME222515KA077	10/19/2010 - 10/19/2013	$17,750

Policy Limit	17,500,000 LTL
Policy Sublimit	100,000 LTL
Deductible	1,500
Number of Subjects	175

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
POLAND - FOREIGN CLINICAL TRIAL	QBE Syndicate 1886	10ME222515KA078	10/19/2010 - 10/19/2013	$17,750

Policy Limit	5,000,000
Deductible	0
Number of Subjects	150

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
LITHUANIA - FOREIGN CLINICAL TRIAL	QBE Syndicate 1886	10ME222515KA077	10/19/2010 - 10/19/2013	$17,750

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
ROMANIA - FOREIGN CLINICAL TRIAL	Newline	59001710A189	10/19/2010 - 10/19/2013	$14,000

Policy Limit	5,000,000
Deductible	1,500
Number of Subjects	125

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
BRAZIL - FOREIGN CLINICAL TRIAL	HDI-Gerling	39001162602140	10/20/2010 - 10/20/2013	$33,000
Policy Limit $1,000,000				
Deductible $10,000				
Number of Subjects 400				

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
HONG KONG - FOREIGN CLINICAL TRIAL	HDI-Gerling	16000000245983	10/20/2010 - 10/20/2013	297,400 HKD
Policy Limit 20,000,000 HKD				
Policy Sublimit 10,000,000 HKD				
Deductible 50,000 HKD				
Number of Subjects 400				

* All Foreign Clinical Trial premiums are subject to audit at expiration.

Schedule 5.20

Board of Directors

1. The Corporation has agreed pursuant to that certain Term Sheet dated March 31, 2011, to allocate four of the seven seats on the Board of Directors to certain of the Investors listed in Schedule I to the Purchase Agreement.

2. The Corporation has agreed, in Article III, Section A.6(b) of its Fourth Amended and Restated Certificate of Incorporation, filed with the Secretary of State of the State of Delaware on May 17, 2011, to allocate four of the seven seats on the Board of Directors to certain of the Investors listed in Schedule I to the Purchase Agreement.

Schedule 5.22(a)

Environmental Matters

None.

Schedule 5.22(d)

Environmental Matters

1. The following chemicals, radioactive materials, or other potentially harmful materials or substances were present or used on the Property at 300 Technology Square, Cambridge, Massachusetts 02139, which is no longer occupied by the Corporation:

Less than 10 liters	**Less than 1 liter**	**Less than 1 kg**	**Less than 10g**
Acetone	acetic acid	4-C2-Hydroxyethyl-1-piperazineethanesulfonic acid	Adenoslne 5’ Triposphate Disodium
Ethanol	acetonitrile	acrylamide	All Gel Dydrazide
Isopentyl alcohol	Benzyl alcohol	agarose	abendonate
Methanol	butanol	albumin	Bromopherol blue
Wescodyne	chloroform	aromoblum acetate	Cholecalciferol
Xylene	Citric Acid	beta-cyclodextrin	Dihydroxytestosterone
bleach	Coomassie Blue Stain	Calcium Chloride	estradiol
	DEPC water	Carbamychofine Chloride	Ethldium Bromide
	diethyl pyrocarbonate	Chloramidopropyl (Dimethylammonio)-2 Hydroxy-1-Propoanesultonate	Forskolin
	dimethylacetamide	Chloramphenicol	Geneticin
	dimethylformamide	dextran sulfate	Heparin Sodium
	dimethylsuloxide	dithothrepl	ketamine
	Ethyl Acetate	ettylepadiamine tetraacetic acid	Lipopolysaccharide
	Ethyl Alcohol	Gelatin	nandrolone
	Ethylene Glycol	Glucose	Phorbal‐ 12-myristate 13 acetate
	formic acid	glycine	raloxfene
	glycerol	Guanldine thcyanate	streptavicin
	heptane	hemaloxylin	tamoxlene
	Hexane	Hepes Free Acid	testosterone
	hydrochloric acid	Hexamine cobalt trichloride	tetracycline hydrochloride
	hydrogen peroxide	Histopaque 1077	toluidine blue
	isoflurane	magnesium chloride	xyazine
	isopropyl alcohol	Magnesium Sulfate	xylene canole
	mercapioethanol	melthycellulose	
	octane	methylmethacrylate	
	pH calibration buffers 4, 7, 10	paraffin wax	
	phenol	Paraformaldehyde	
	phenopthalein	Phosphate buffered saline	
	phosphate buffered saline	polyvinlypyrolidone	
	phosphoric acid	Potassium Acetate	
	polyoxyethylene	potassium chloride	
	potassium hydroxide	Potassium Hydroxide	
	Propanol	sodium Acetate	
	propylene glycol	sodium Azide	
	sulphuric acid	sodium bicarbonate	
	Tetramethylbenzidine	Sodium Carbonate	
	trichioroacatic acid	Sodium chloride	
	triethanplamine	Sodium hydroxide	
	Tritton X-100	Sodium phosphate	
		Sucrose	
		Tetraethylammonium chloride	
		Thioglycolic acid	
		trishydorchloride	

Human Cell Line	Murine Cell Line	Other Cell Lines
HeLa	C2C12	HEK293
HOB	ST2	COS
SaOs2	MC3T3E1	
MG63	U32	
U2OS	OB6	
	UMR106	
	MLOY4	

Radioactive Material	Chemical/Physical Form	Maximum Possession Limit
A. Hydrogen-3	A. Any	A 20 millicuries
B. Carbon-14	B. Any	B. 5 millicuries
C. Phosphorus-32	C. Any	C. 20 millicuries
D. Phosphorus-33	D. Any	D. 20 millicuries
E. Sulfur-35	E. Any	E. 20 millicuries
F. Iodine-125	G. Bound	G. 5 millicuries

Schedule 5.22(e)

Environmental Matters

1. The premises previously subleased by the Corporation and located at 300 Technology Square, Cambridge, Massachusetts 02139.

Schedule 5.22(f)

Environmental Matters

None.

Schedule 10

Certain Covenants

1. Pursuant to an engagement with Leerink Swann LLC ("Leerink") for services in connection with the Series A-1 Financing, the Corporation has agreed to issue to Leerink a Warrant to purchase 24,564 shares of Series A-1 Convertible Preferred Stock at the Stage I Closing.

2. On December 21, 2010, the Corporation Accepted and Agreed to a Proposal from GE Healthcare Financial Services, Inc. ("GEHFS") and Oxford Finance Corporation ("Oxford Finance") which forth the terms on which GEHFS and Oxford Finance Corporation would provide debt financing to the Corporation in an aggregate amount of $25m in tree tranched term loans. As part of the Proposal, the Corporation would be required to issue to GEHFS and Oxford Finance warrants to purchase, in the aggregate, 122,820 shares of Series A-1 Convertible Preferred Stock and to grant to GEHFS the right to purchase up to an additional 122,820 shares on terms substantially the same as those on which MPM is making their investment in the Corporation in the Series A-1 Financing. It is expected that operative documents pertaining to such debt financing will be finalized on or about the Stage I Closing Date.

3. Pursuant to the terms of that certain License Agreement by and between the Corporation and Ipsen Pharma SAS ("Ipsen"), as amended, the Corporation may issue shares of Series A-1 Preferred Stock to Ipsen as payment milestones, in lieu of cash payments, at $8.142 per share.

Exhibit 10.11

Execution Copy

SERIES A-1 CONVERTIBLE PREFERRED STOCK ISSUANCE AGREEMENT

THIS SERIES A-1 CONVERTIBLE PREFERRED STOCK ISSUANCE AGREEMENT, dated this 11th day of May, 2011 ("Agreement") is entered into by and among Radius Health, Inc., a Delaware corporation (the "Corporation"), and Ipsen Pharma SAS, a French corporation formerly known as SCRAS S.A.S. ("Investor").

WHEREAS, the Corporation and the Investor are parties to that certain License Agreement dated as of September 27, 2005, as amended by that certain License Agreement Amendment No. 1 effective as of September 12, 2007 and that certain License Agreement Amendment No. 2 effective as of May 11, 2011 (the "License Agreement") and pursuant to Amendment No. 2 have agreed that the Corporation shall issue shares of Series A-1 Convertible Preferred Stock (as hereinafter defined) to the Investor in satisfaction of the 1,000,000 milestone due Investor by the Corporation upon the initiation of the first Phase III study as provided in the fifth table cell of Section 3.1 of the License Agreement.

WHEREAS, the Corporation has entered into a Series A-1 Convertible Preferred Stock Purchase Agreement dated April 25, 2011 with several other investors providing for the issuance to such investors of an aggregate US $60,000,000 of Series A-1 Convertible Preferred Stock (as hereinafter defined), as more specifically set forth therein (the "April 25 Agreement").

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto, intending to be legally bound, hereby agree as follows:

SECTION 1. Filing of Restated Certificate of Incorporation.

1.1 Recapitalization.

(a) Prior to the Stage I Closing (as defined in Section 4(a) hereof), the Corporation shall have filed the Fourth Amended and Restated Certificate of Incorporation of the Corporation, in the form attached hereto as Exhibit A (the "Restated Certificate"). Pursuant to the Restated Certificate, among other things:

(i) simultaneously with the effective date of the filing of the Restated Certificate (the "Split Effective Date"), a reverse split (the "Reverse Split") of the Corporation' s outstanding capital stock shall occur as follows: (A) each share of the Corporation' s Common Stock, par value $.01 per share ("Common Stock"), issued and outstanding or held as treasury shares immediately prior to the Split Effective Date shall automatically without any action on the part of the holder thereof, be reclassified and changed into 0.06666667 of one share of Common Stock from and after the Split Effective Date, (B) each share of the Corporation' s Series A Junior Convertible Preferred Stock, par value $.01 per share ("Series A Stock"), issued and outstanding or held as treasury shares immediately prior to the Split Effective Date shall automatically without any action on the part of the holder thereof, be

---

reclassified and changed into 0.06666667 of one share of Series A Stock from and after the Split Effective Date, (C) each share of the Corporation' s Series B Convertible Redeemable Preferred Stock, par value $.01 per share ("Series B Stock"), issued and outstanding or held as treasury shares immediately prior to the Split Effective Date shall automatically without any action on the part of the holder thereof, be reclassified and changed into 0.06666667 of one share of Series B Stock from and after the Split Effective Date and (D) each share of the Corporation' s Series C Convertible Redeemable Preferred Stock, par value $.01 per share ("Series C Stock" and together with the Series A Stock and the Series B Stock, the "Existing Preferred Stock"), issued and outstanding or held as treasury shares immediately prior to the Split

Effective Date shall automatically without any action on the part of the holder thereof, be reclassified and changed into 0.06666667 of one share of Series C Stock from and after the Split Effective Date;

(ii) in the event that a current stockholder of the Corporation does not participate in the financing contemplated hereby at least at the level of its Pro Rata Share (as defined below), by committing to purchase and purchasing (or securing an investor who commits to purchase and purchases) at least at the level of its Pro Rata Share, a percentage of each series of such holder' s Existing Preferred Stock equal to such holder' s Applicable Portion (as defined in the Restated Certificate) shall automatically convert into shares of Common Stock (all such shares of Common Stock being referred to herein, collectively, as the "Forced Conversion Shares"), at a rate of 1 share of Common Stock for every 5 shares of Existing Preferred Stock to be so converted, such automatic conversion (hereinafter, the "Forced Conversion") to occur and become effective immediately prior to the consummation of the Stage I Closing (the "Effective Time");

(iii) each share of Series C Stock remaining outstanding after the Forced Conversion shall, immediately following the Forced Conversion, automatically be reclassified and converted into one (1) share of Series A-2 Preferred Stock (as defined in Section 1.2 hereof), and all accrued dividends on such reclassified share of Series C Stock shall be forfeited;

(iv) each share of Series B Stock remaining outstanding after the Forced Conversion shall, immediately following the Forced Conversion, automatically be reclassified and converted into one (1) share of Series A-3 Preferred Stock (as defined in Section 1.2 hereof), and all accrued dividends on such reclassified share of Series B Stock shall be forfeited; and

(v) each share of Series A Stock remaining outstanding after the Forced Conversion shall, immediately following the Forced Conversion, automatically be reclassified and converted into one (1) share of Series A-4 Preferred Stock (as defined in Section 1.2 hereof) (the automatic reclassification and conversion of the Existing Preferred Stock pursuant to the Restated Certificate into shares of Series A-2 Preferred Stock, Series A-3 Preferred Stock and Series A-4 Preferred Stock, as applicable, as described in the provisions set forth above, is hereinafter referred to as the "Automatic Reclassification"). The Reverse Split, the Forced Conversion and the Automatic Reclassification are hereinafter referred to, collectively, as the "Recapitalization".

(b) As used in this Agreement, the term "Pro Rata Share" means, with

respect to any holder of Existing Preferred Shares (an "Existing Preferred Holder"), that amount equal to $35,000,000 multiplied by the quotient obtained by dividing (A) the number of shares of issued and outstanding Common Stock owned by such Existing Preferred Holder as of March 31, 2011 (or, in the case of a holder of Existing Preferred Stock who received all of its shares of Existing Preferred Stock in a transfer from a former holder of Existing Preferred Stock occurring after March 31, 2011, the number shares of issued and outstanding Common Stock owned by such former holder of Existing Preferred Stock as of March 31, 2011) by (B) the aggregate number of shares of issued and outstanding Common Stock owned as of such date by all Existing Preferred Holders. For purposes of the computation set forth in clauses (i) and (ii) above, all issued and outstanding securities held by Existing Preferred Holders that are convertible into or exercisable or exchangeable for shares of Common Stock (including any issued and issuable shares of Existing Preferred Stock) or for any such convertible, exercisable or exchangeable securities, shall be treated as having been so converted, exercised or exchanged at the rate or price at which such securities are convertible, exercisable or exchangeable for shares of Common Stock in effect at the time in question, whether or not such securities are at such time immediately convertible, exercisable or exchangeable.

(c) The procedures for implementing the Recapitalization are more specifically set forth in the Restated Certificate.

(d) All stock numbers and prices set forth in this Agreement give effect to the Reverse Split and no further adjustments are necessary with respect thereto.

1.2 Rights and Preferences of the Authorized Stock. In addition to setting forth the Recapitalization, the Restated Certificate also sets forth, among other things, the terms, designations, powers, preferences, and relative, participating, optional, and other

special rights, and the qualifications, limitations and restrictions of the Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock, Series A-4 Preferred Stock, Series A-5 Preferred Stock and Series A-6 Preferred Stock (as such terms are hereinafter defined). Pursuant to the Restated Certificate, the Corporation shall be authorized to issue up to (i) 34,859,964 shares of Common Stock, par value $.01 per share ("Common Stock"), and (ii) 29,364,436 shares of Preferred Stock (the "Preferred Stock"), 10,000,000 of which shall have been designated as Series A-1 Convertible Preferred Stock, par value $.01 per share ("Series A-1 Preferred Stock"), 9,832,133 of which shall have been designated as Series A-2 Convertible Preferred Stock, par value $.01 per share ("Series A-2 Preferred Stock"), 1,422,300 of which shall have been designated as Series A-3 Convertible Preferred Stock, par value $.01 per share ("Series A-3 Preferred Stock"), 40,003 of which shall have been designated as Series A-4 Convertible Preferred Stock, par value $.01 per share ("Series A-4 Preferred Stock"), 70,000 of which shall have been designated as Series A-5 Convertible Preferred Stock, par value $.01 per share ("Series A-5 Preferred Stock"), and 8,000,000 of which shall have been designated as Series A-6 Convertible Preferred Stock, par value $.01 per share ("Series A-6 Preferred Stock"). The Common Stock and the Preferred Stock shall have the respective terms as set forth in the Restated Certificate.

SECTION 2. Authorization of Issuance and Sale of Series A-1 Preferred Stock; Reservation of Reserved Common Shares.

Subject to the terms and conditions of the April 25 Agreement, the Corporation has authorized the following:

(a) the issuance on the Stage I Closing Date (as defined in Section 4(a) hereof) of an aggregate of 2,631,845 shares of Series A-1 Preferred Stock (subject to adjustment to reflect stock splits, stock dividends, stock combinations, recapitalizations and like occurrences other than the Reverse Split) (such shares of Series A-1 Preferred Stock being sometimes hereinafter referred to as the "Stage I Preferred Shares"), and the reservation of an equal number of shares of Common Stock for issuance upon conversion of the Stage I Preferred Shares (such reserved Common Stock being sometimes hereinafter collectively referred to as the "Stage I Reserved Common Shares").

(b) the issuance on the Stage II Closing Date (as defined in the April 25 Agreement) of an aggregate of 2,631,845 shares of Series A-1 Preferred Stock (subject to adjustment to reflect stock splits, stock dividends, stock combinations, recapitalizations and like occurrences other than the Reverse Split) (such shares of Series A-1 Preferred Stock being sometimes hereinafter referred to as the "Stage II Preferred Shares"), and the reservation of an equal number of shares of Common Stock for issuance upon conversion of the Stage II Preferred Shares (such reserved Common Stock being sometimes hereinafter collectively referred to as the "Stage II Reserved Common Shares").

(c) the issuance on the Stage III Closing Date (as defined in the April 25 Agreement) of an aggregate of 2,631,845 shares of Series A-1 Preferred Stock (subject to adjustment to reflect stock splits, stock dividends, stock combinations, recapitalizations and like occurrences other than the Reverse Split) (such shares of Series A-1 Preferred Stock being sometimes hereinafter referred to as the "Stage III Preferred Shares"), and the reservation of an equal number of shares of Common Stock for issuance upon conversion of the Stage III Preferred Shares (such reserved Common Stock being sometimes hereinafter collectively referred to as the "Stage III Reserved Common Shares" and together with the Stage I Reserved Common Shares and the Stage II Reserved Common Shares, the "Reserved Common Shares").

SECTION 3. Issuance of Series A-1 Preferred Stock.

3.1 Agreement to Issue the Series A-1 Preferred Stock. Subject to the terms and conditions hereof, the Corporation is selling to the Investor and the Investor is purchasing from the Corporation the number of shares of Series A-1 Preferred Stock set forth next to such Investor' s name of Schedule 1 hereto under the caption "Stage 1 Preferred Shares" for the consideration set forth in Section 3.3.

3.2 Delivery of Series A-1 Preferred Stock. At the Closing (as defined in Section 4), the Corporation shall deliver to the Investor a certificate, registered in the name of the Investor, representing that number of shares of Series A-1 Preferred Stock equal to the quotient (rounded up to the nearest whole number) obtained by dividing **(x)** the U.S. Dollar equivalent (determined in accordance with the provisions of the next sentence) of 1,000,000 by **(y)** US$8.142 per share. The Corporation shall determine the U.S. Dollar equivalent of such 1,000,000 using the

exchange rate for buying U.S. Dollars with EUROS set forth in *The Wall Street Journal (Online Edition)* Market Data Center at http://online.wsj.com/mdc/public/page/marketsdata.html on the Business Day that is two (2) Business Days preceding the date of the Closing. Delivery of certificate representing Series A-1 Preferred Stock to the Investor shall be made in satisfaction of the milestone due Investor by the Corporation pursuant to fifth table cell of Section 3.1 of the of the License Agreement upon the initiation of the first Phase III study.

SECTION 4. The Closing.

The closing (the "Stage I Closing" or the "Closing") hereunder with respect to the transactions contemplated by Sections 2(a) and 3.1 hereof will take place by facsimile transmission of executed copies of the documents contemplated hereby delivered on either (i) May 17, 2011 or (ii) if on such date the conditions precedent set forth in Section 7.1 and 7.2 hereof have not been satisfied or waived, no later than the third (3d) business day after the conditions set forth in Sections 7.1 and 7.2 hereof have been satisfied or waived in writing by the Majority Investors, such Stage I Closing to be held at the offices of Bingham McCutchen LLP, One Federal Street, Boston, MA 02110 (such date sometimes being referred to herein as the "Stage I Closing Date").

SECTION 5. Representations and Warranties of the Corporation to the Investor.

Except as set forth in the Corporation' s disclosure schedule dated as of April 25, 2011 and delivered herewith (the "Corporation' s Disclosure Schedule"), which shall be arranged to correspond to the representations and warranties in this Section 5, or, in each case, as applicable to the relevant other Sections of this Agreement, and the disclosure in any portion of the Corporation' s Disclosure Schedule shall qualify the corresponding provision in this Section 5 and any other provision of this Agreement, including but not limited to the provisions of this Section 5, to which it is reasonably apparent on its face that such disclosure relates notwithstanding the lack of any explicit cross-reference, the Corporation hereby represents and warrants to the Investors as of the date of this Agreement and as of the Effective Time as follows:

5.1 Organization. The Corporation is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has all requisite corporate power and authority to own and lease its property and to carry on its Business (as defined in Section 5.6) as presently conducted and as proposed to be conducted as described in the Executive Summary (as defined in Section 5.6). The Corporation is duly qualified to do business as a foreign corporation in the states set forth on Schedule 5.1 of the Corporation' s Disclosure Schedule. The Corporation does not own or lease property or engage in any activity in any other jurisdiction which would require its qualification in such jurisdiction and in which the failure to be so qualified would have a material adverse effect on the Business, properties, assets, liabilities, condition (financial or otherwise) or prospects of the Corporation (a "Corporation Material Adverse Effect").

5.2 Capitalization.

(a) The authorized capital stock of the Corporation immediately prior

to the Stage I Closing shall consist of:

(i) 34,859,964 shares of Common Stock, of which:

(1) 522,506 shall be validly issued and outstanding, fully paid and nonassessable (including 266 shares issuable upon exercise of warrants to purchase Common Stock);

(2) 29,364,436 shares shall have been duly reserved for issuance upon conversion of the Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock, Series A-4 Preferred Stock, Series A-5 Preferred Stock and Series A-6 Preferred Stock (including 147,384 shares of Series A-1 Preferred Stock issuable upon exercise of warrants to purchase Series A-1 Preferred Stock); and

(3) 2,015,666 shares shall have been duly reserved for issuance in connection with options available under the Corporation' s 2003 Long-Term Incentive Plan, as amended (the "2003 Plan Option Shares").

(ii) 29,364,436 shares of Preferred Stock of which:

(1) 63,000 shall have been designated the Series A Stock, 61,664 of which shall be issued and outstanding, fully paid and nonassessable;

(2) 1,600,000 shall have been designated the Series B Stock, 1,599,997 of which shall be issued and outstanding, fully paid and nonassessable;

(3) 10,146,629 shall have been designated the Series C Preferred Stock, all of which shall be issued and outstanding, fully paid and nonassessable;

(4) 10,000,000 shall have been designated the Series A-1 Preferred Stock, none of which shall be issued and outstanding;

(5) 9,832,133 shall have been designated the Series A-2 Preferred Stock, none of which shall be issued and outstanding;

(6) 1,422,300 shall have been designated the Series A-3 Preferred Stock, none of which shall be issued and outstanding;

(7) 40,003 shall have been designated the Series A-4 Preferred Stock, none of which shall be issued and outstanding;

(8) 70,000 shall have been designated the Series A-5 Preferred Stock, none of which shall be issued and outstanding;

(9) 8,000,000 shall have been designated the Series A-6 Preferred Stock, none of which shall be issued and outstanding.

(b) The authorized capital stock of the Corporation immediately

following the Stage I Closing, assuming compliance with all of the provisions of this Agreement by each of the Investors, shall consist of:

(i) 34,859,964 shares of Common Stock, of which:

(1) 522,506 shall be validly issued and outstanding, fully paid and nonassessable (including 266 shares issuable upon exercise of warrants to purchase Common Stock);

(2) 29,364,436 shares shall have been duly reserved for issuance upon conversion of the Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock, Series A-4 Preferred Stock, Series A-5 Preferred Stock and Series A-6

Preferred Stock (including 147,384 shares of Series A-1 Preferred Stock issuable upon exercise of warrants to purchase Series A-1 Preferred Stock); and

(3) 2,015,666 shares shall have been duly reserved for issuance in connection with options available under the Corporation' s 2003 Long-Term Incentive Plan, as amended;

(ii) 29,364,436 shares of Preferred Stock of which:

(1) 63,000 shall have been designated the Series A Preferred Stock, none of which shall be issued and outstanding;

(2) 1,600,000 shall have been designated the Series B Preferred Stock, none of which shall be issued and outstanding;

(3) 10,146,629 shall have been designated the Series C Preferred Stock, none of which shall be issued and outstanding;

(4) 10,000,000 shall have been designated the Series A-1 Preferred Stock, of which 4,136,912 shall be validly issued and outstanding, fully paid and nonassessable;

(5) 9,832,133 shall have been designated the Series A-2 Preferred Stock, all of which shall be validly issued and outstanding, fully paid and nonassessable;

(6) 1,422,300 shall have been designated the Series A-3 Preferred Stock, all of which shall be validly issued and outstanding, fully paid and nonassessable;

(7) 40,003 shall have been designated the Series A-4 Preferred Stock, all of which shall be validly issued and outstanding, fully paid and nonassessable;

(8) 70,000 shall have been designated the Series A-5 Preferred Stock, of which 66,028 shall be validly issued and outstanding, fully paid and nonassessable; and

(9) 8,000,000 shall have been designated the Series A-6 Preferred

Stock, none of which shall be issued and outstanding.

(c) Except (i) pursuant to the terms of this Agreement, (ii) at any time prior to the Stage I Closing, pursuant to the terms of the Amended and Restated Stockholders' Agreement, dated as of December 15, 2006, by and among the Corporation and the stockholders named therein, as amended to date (the "Existing Stockholders' Agreement"), (iii) as of and at all times following the Stage I Closing, pursuant to the terms of that certain Amended and Restated Stockholders' Agreement to be entered into in connection with the Stage I Closing, as contemplated by Section 7.2(b), in the form attached hereto as Exhibit B (the "Stockholders' Agreement"), and (iv) as set forth in Schedule 5.2 attached hereto, there are and, immediately following the Stage I Closing, there will be: (1) no outstanding warrants, options, rights, agreements, convertible securities or other commitments or instruments pursuant to which the Corporation is or may become obligated to issue, sell, repurchase or redeem any shares of capital stock or other securities of the Corporation (other than the 2003 Plan Option Shares); (2) no preemptive, contractual or similar rights to purchase or otherwise acquire shares of capital stock of the Corporation pursuant to any provision of law, the Restated Certificate, the by-laws of the Corporation (the "by-laws") or any agreement to which the Corporation is a party or may otherwise be bound; (3) no restrictions on the transfer of capital stock of the Corporation imposed by the Restated Certificate or by-laws of the Corporation, any agreement to which the Corporation is a party, any order of any court or any governmental agency to which the

Corporation is subject, or any statute other than those imposed by relevant state and federal securities laws; (4) no cumulative voting rights for any of the Corporation' s capital stock; (5) no registration rights under the Securities Act of 1933, as amended (the "Securities Act"), with respect to shares of the Corporation' s capital stock; (6) to the Corporation' s Knowledge, no options or other rights to purchase shares of capital stock from stockholders of the Corporation granted by such stockholders; and (7) no agreements, written or oral, between the Corporation and any holder of its securities, or, to the Corporation' s Knowledge, among holders of its securities, relating to the acquisition, disposition or voting of the securities of the Corporation.

5.3 Authorization of this Agreement and the Stockholders' Agreement. The execution, delivery and performance by the Corporation of this Agreement and the Stockholders' Agreement and the consummation of the transactions contemplated hereby and thereby, including the Recapitalization and the Merger, have been duly authorized by all requisite action on the part of the Corporation. Each of this Agreement and the Stockholders' Agreement has been duly executed and delivered by the Corporation and constitutes a valid and binding obligation of the Corporation, enforceable in accordance with its respective terms. The execution, delivery and performance of this Agreement and the Stockholders' Agreement, the filing of the Restated Certificate and the compliance with the provisions hereof and thereof by the Corporation, will not:

(a) violate any provision of law, statute, ordinance, rule or regulation or any ruling, writ, injunction, order, judgment or decree of any court, administrative agency or other governmental body;

(b) conflict with or result in any breach of any of the terms, conditions or provisions of, or constitute (with due notice or lapse of time, or both) a default (or give rise to any right of termination, cancellation or acceleration) under (i) any agreement, document,

instrument, contract, understanding, arrangement, note, indenture, mortgage or lease to which the Corporation is a party or under which the Corporation or any of its assets is bound, which conflict, breach or default would have a Corporation Material Adverse Effect, (ii) the Restated Certificate, or (iii) the by-laws;

(c) result in the creation of any lien, security interest, charge or encumbrance upon any of the properties or assets of the Corporation; or

(d) conflict with any stockholder' s rights to participate in the transactions contemplated hereby, including but not limited to any rights to purchase Series A-1 Preferred Stock hereunder.

5.4 Authorization of Series A-1 Preferred Stock and Reserved Common Shares.

(a) The issuance, sale and delivery of the Series A-1 Preferred Stock pursuant to the terms hereof and the issuance sale and deliver of the Series A-2 Preferred Stock, the Series A-3 Preferred Stock and the Series A-4 Preferred Stock pursuant to the Recapitalization, have been duly authorized by all requisite action of the Corporation, and, when issued, sold and delivered in accordance with this Agreement or the Recapitalization, the shares of Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock and Series A-4 Preferred Stock will be validly issued and outstanding, fully paid and nonassessable, with no personal liability attaching to the ownership thereof, and, except as may be set forth in the Stockholders' Agreement (with respect to which the Corporation is in compliance with its obligations thereunder), not subject to preemptive or any other similar rights of the stockholders of the Corporation or others.

(b) The reservation, issuance, sale and delivery by the Corporation of the Reserved Common Shares and of all shares of Common Stock issuable upon conversion of shares of Series A-2 Preferred Stock, Series A-3 Preferred Stock and Series A-4 Preferred Stock have been duly authorized by all requisite action of the Corporation, and the Reserved Common Shares have been duly reserved in accordance with Section 2 of this Agreement. Upon the issuance and delivery of the Reserved Common Shares in accordance with the terms of this Agreement, the Reserved Common Shares will be validly issued and outstanding, fully paid and nonassessable and not subject to preemptive or any other similar rights of the stockholders of the Corporation or others.

5.5 Consents and Approvals. No authorization, consent, approval or other order of, or declaration to or filing with, any governmental agency or body (other than filings required to be made under applicable federal and state securities laws) or any other person, entity or association is required for: (a) the valid authorization, execution, delivery and performance by the Corporation of this Agreement and the Stockholders' Agreement; (b) the valid authorization, issuance, sale and delivery of the Series A-1 Preferred Stock; (c) the valid authorization, reservation, issuance, sale and delivery of the Reserved Common Shares; or (d) the filing of the Restated Certificate. The Corporation has obtained all other consents that are necessary to permit the consummation of the transactions contemplated hereby and thereby, other than the Merger.

5.6 Business of the Corporation.

(a) Except as set forth in Schedule 5.6(a) of the Corporation' s Disclosure Schedule, the business of the Corporation (the "Business") is described in the executive summary of the Corporation, a copy of which is attached hereto as Exhibit C (the "Executive Summary").

(b) Schedule 5.6 of the Corporation' s Disclosure Schedule sets forth a list of all agreements or commitments to which the Corporation is a party or by which the Corporation or the Corporation' s assets and properties are bound that are material to the business of the Corporation as currently conducted, and, without limitation, of the foregoing, all of the types of agreements or commitments set forth below (each, a "Material Agreement"):

(i) agreements which require future expenditures by the Corporation in excess of $100,000 or which might result in payments to the Corporation in excess of $100,000;

(ii) employment and consulting agreements, employee benefit, bonus, pension, profit-sharing, stock option, stock purchase and similar plans and arrangements;

(iii) agreements involving research, development, or the license of Intellectual Property (as defined in Section 5.12) (other than research, development, or license agreements which require future expenditures by the Corporation in amounts less than $100,000 or which might result in payments to the Corporation in amounts less than $100,000 in each case that do not grant to a third party or to the Corporation any rights in connection with the commercialization of any products), the granting of any right of first refusal, or right of first offer or comparable right with respect to any Intellectual Property or payment or receipt by the Corporation of milestone payments or royalties;

(iv) agreements relating to a joint venture, partnership, collaboration or other arrangement involving a sharing of profits, losses, costs or liabilities with another person or entity;

(v) distributor, sales representative or similar agreements;

(vi) agreements with any current or former stockholder, officer or director of the Corporation or any "affiliate" or "associate" of such persons (as such terms are defined in the rules and regulations promulgated under the Securities Act), including without limitation agreements or other arrangements providing for the furnishing of services by, rental of real or personal property from, or otherwise requiring payments to, any such person or entity;

(vii) agreements under which the Corporation is restricted from carrying on any business, or competing in any line of business, anywhere in the world;

(viii) indentures, trust agreements, loan agreements or notes that involve or evidence outstanding indebtedness, obligations or liabilities for borrowed money;

(ix) agreements for the disposition of a material portion of the

Corporation' s assets (other than for the sale of inventory in the ordinary course of business);

(x) agreements of surety, guarantee or indemnification;

(xi) interest rate, equity or other swap or derivative instruments;

(xii) agreements obligating Corporation to register securities under the Securities Act; and

(xiii) agreements for the acquisition of any of the assets, properties, securities or other ownership interests of the Corporation or another person or the grant to any person of any options, rights of first refusal, or preferential or similar rights to purchase any of such assets, properties, securities or other ownership interests.

(c) The Corporation has no present expectation or intention of not fully performing all of its obligations under each Material Agreement and, to the Corporation' s Knowledge, there is no breach or anticipated breach by any other party or parties to any Material Agreements.

(d) All of the Material Agreements are valid, in full force and effect and binding against the Corporation and to the Corporation' s Knowledge, binding against the other parties thereto in accordance with their respective terms. Neither the Corporation, nor, to the Corporation' s Knowledge, any other party thereto, is in default of any of its obligations under any of the agreements or contracts listed on the Schedule 5.6 of the Corporation' s Disclosure Schedule, nor, to the Corporation' s Knowledge, does any condition exist that with notice or lapse of time or both would constitute a default thereunder. The Corporation has delivered to each Investor or its representative true and complete copies of all of the foregoing Material Agreements or an accurate summary of any oral Material Agreements (and all written amendments or other modifications thereto).

(e) Except as provided in Schedule 5.6(e) of the Corporation' s Disclosure Schedule: (i) there are no actions, suits, arbitrations, claims, investigations or legal or administrative proceedings pending or, to the Corporation' s Knowledge, threatened, against the Corporation, whether at law or in equity; (ii) there are no judgments, decrees, injunctions or orders of any court, government department, commission, agency, instrumentality or arbitrator entered or existing against the Corporation or any of its assets or properties for any of the foregoing or otherwise; and (iii) the Corporation has not admitted in writing its inability to pay its debts generally as they become due, filed or consented to the filing against it of a petition in bankruptcy or a petition to take advantage of any insolvency act, made an assignment for the benefit of creditors, consented to the appointment of a receiver for itself or for the whole or any substantial part of its property, or had a petition in bankruptcy filed against it, been adjudicated a bankrupt, or filed a petition or answer seeking reorganization or arrangement under the federal bankruptcy laws or any other laws of the United States or any other jurisdiction.

(f) Except as set forth in Schedule 5.6(f) of the Corporation' s Disclosure Schedule, the Corporation is in compliance with all obligations, agreements and conditions contained in any evidence of indebtedness or any loan agreement or other contract or agreement (whether or not relating to indebtedness) to which the Corporation is a party or is

subject (collectively, the "Obligations"), the lack of compliance with which could afford to any person the right to accelerate any indebtedness or terminate any right of or agreement with the Corporation. To the Corporation' s Knowledge all other parties to such Obligations are in compliance with the terms and conditions of such Obligations.

(g) Except for employment and consulting agreements set forth on Schedule 5.6 attached hereto and for agreements and arrangements relating to the 2003 Plan Option Shares and except as provided in Schedule 5.6(g) of the Corporation' s Disclosure Schedule, this Agreement and the Stockholders' Agreement, there are no agreements, understandings or proposed transactions between the Corporation and any of its officers, directors or other "affiliates" (as defined in Rule 405 promulgated under the Securities Act).

(h) To the Corporation' s Knowledge, no employee of or consultant to the Corporation is in violation of any term of any employment contract, patent disclosure agreement or any other contract or agreement, including, but not limited to, those matters relating (i) to the relationship of any such employee with the Corporation or to any other party as a result of the nature of the Corporation' s Business as currently conducted, or (ii) to unfair competition, trade secrets or proprietary or confidential information.

(i) Each employee and director of or consultant to the Corporation, and each other person who has been issued shares of the Corporation' s Common Stock or options to purchase shares of the Corporation' s Common Stock is a signatory to, and is bound by, the Stockholders' Agreement and, in the case of Common Stock issued to employees, directors and consultants, a stock restriction agreement, all with stock transfer restrictions and rights of first offer in favor of the Corporation in a form previously approved by the Board of Directors of the Corporation (the "Board of Directors"). In addition, each such stock restriction agreement contains a vesting schedule previously approved by the Board of Directors.

(j) The Corporation does not have any collective bargaining agreements covering any of its employees or any employee benefit plans.

(k) The Corporation has at all times complied with all provisions of its by-laws and Restated Certificate, and is not in violation of or default under any provision thereof, any contract, instrument, judgment, order, writ or decree to which it is a party or by which it or any of its properties are bound, and the Corporation is not in violation of any material provision of any federal or state statute, rule or regulation applicable to the Corporation.

5.7 Disclosure. None of this Agreement, the Stockholders' Agreement or the Executive Summary, nor any document, certificate or instrument furnished to any of the Investors or their counsel in connection with the transactions contemplated by this Agreement, contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were made, not misleading. To the Corporation' s Knowledge, there is no fact which the Corporation has not disclosed to the Investors or their counsel which would reasonably be expected to result in a Corporation Material Adverse Effect.

5.8 Financial Statements. The Corporation has furnished to each of the

Investors a complete and accurate copy of (i) the unaudited balance sheet of the Corporation at December 31, 2010 and the related unaudited statements of operations and cash flows for the fiscal year then ended, and (ii) the unaudited balance sheet of the Corporation (the "Balance Sheet") at February 28, 2011 (the "Balance Sheet Date") and the related unaudited statements of operations and cash flows for the two month period then ended (collectively, the "Financial Statements"). The Financial Statements are in accordance with the books and records of the Corporation, present fairly the financial condition and results of operations of the Corporation at the dates and for the periods indicated, and have been prepared in accordance with generally accepted accounting principles ("GAAP") consistently applied, except, in the case of any unaudited Financial Statements, for the absence of footnotes normally contained therein and subject to normal and recurring year-end audit adjustments that are substantially consistent with prior year-end audit adjustments.

5.9 Absence of Undisclosed Liabilities. The Corporation has no liabilities of any nature (whether known or unknown and whether absolute or contingent), except for (a) liabilities shown on the Balance Sheet and (b) contractual and other liabilities incurred in the ordinary course of business which are not required by GAAP to be reflected on a balance sheet and which would not, either individually or in the aggregate, have or result in a Corporation Material Adverse Effect. The Corporation does not have any liabilities (and there is no basis for any present or, to the Corporation' s Knowledge, future proceeding against the Corporation giving rise to any liability) arising out of any

personal injury and/or death or damage to property relating to or arising in connection with any clinical trials conducted by or on behalf of the Corporation.

5.10 Absence of Changes. Since the Balance Sheet Date and except as contemplated by this Agreement, there has been (i) no event or fact that individually or in the aggregate has had a Corporation Material Adverse Effect, (ii) no declaration, setting aside or payment of any dividend or other distribution with respect to, or any direct or indirect redemption or acquisition of, any of the capital stock of the Corporation, (iii) no waiver of any valuable right of the Corporation or cancellation of any debt or claim held by the Corporation, (iv) no loan by the Corporation to any officer, director, employee or stockholder of the Corporation, or any agreement or commitment therefor, (v) no increase, direct or indirect, in the compensation paid or payable to any officer, director, employee or agent Corporation and no change in the executive management of the Corporation or the terms of their employment, (vi) no material loss, destruction or damage to any property of the Corporation, whether or not insured, (vii) no labor disputes involving the Corporation, or (viii) no acquisition or disposition of any assets (or any contract or arrangement therefor), nor any transaction by the Corporation otherwise than for fair value in the ordinary course of business.

5.11 Payment of Taxes. The Corporation has prepared and filed within the time prescribed by, and in material compliance with, applicable law and regulations, all federal, state and local income, excise or franchise tax returns, real estate and personal property tax returns, sales and use tax returns, payroll tax returns and other tax returns required to be filed by it, and has paid or made provision for the payment of all accrued and paid taxes and other charges to which the Corporation is subject and which are not currently due and payable. The federal income tax returns of the Corporation have never been audited by the Internal Revenue Service. Neither the Internal Revenue Service nor any other taxing authority is now asserting nor is

threatening to assert against the Corporation any deficiency or claim for additional taxes or interest thereon or penalties in connection therewith, and the Corporation does not know of any such deficiency or basis for such deficiency or claim.

5.12 Intellectual Property.

(a) Schedule 5.12(a) lists each patent, patent application, copyright registration or application therefor, mask work registration or application therefor, and trademark, trademark application, trade name, service mark and domain name registration or application therefor owned by the Corporation, licensed by the Corporation or otherwise used by the Corporation (collectively, the "Listed Rights"). For each of the Listed Rights set forth on Schedule 5.12(a), an assignment to the Corporation of all right, title and interest in the Listed Right (or license to practice the Listed Right if owned by others) has been executed. All employees of and consultants to the Corporation have executed an agreement providing for the assignment to the Corporation of all right, title and interest in any and all inventions, creations, works and ideas made or conceived or reduced to practice wholly or in part during the period of their employment or consultancy with the Corporation, including all Listed Rights, to the extent described in any such agreement and providing for customary provisions relating to confidentiality and non-competition.

(b) Except as set forth on Schedule 5.12(b), the Listed Rights comprise all of the patents, patent applications, registered trademarks and service marks, trademark applications, trade names, registered copyrights and all licenses that have been obtained by the Corporation, and which, to the Corporation' s Knowledge, are necessary for the conduct of the Business of the Corporation as now being conducted and as proposed to be conducted in the Executive Summary. Except as set forth on Schedule 5.12(b), the Corporation owns all of the Listed Rights and Intellectual Property, as hereinafter defined, free and clear of any valid and enforceable rights, claims, liens, preferences of any party against such Intellectual Property. To the Corporation' s Knowledge, except as set forth in Schedule 5.12(b), the Listed Rights and Intellectual Property are valid and enforceable rights and the practice of such rights does not infringe or conflict with the rights of any third party.

(c) To the Corporation' s Knowledge, the Corporation owns or has the right to use all Intellectual Property necessary (i) to use, manufacture, market and distribute the Customer Deliverables (as defined below) and (ii) to operate the Internal Systems (as defined below). The Corporation has taken all reasonable measures to protect the proprietary nature of each item of Corporation Intellectual Property (as defined below), and to maintain in confidence all trade secrets and confidential information that it owns or uses. To

the Corporation' s Knowledge no other person or entity has any valid and enforceable rights to any of the Corporation Intellectual Property owned by the Corporation (except as set forth in Schedule 5.12(c)), and no other person or entity is infringing, violating or misappropriating any of the Corporation Intellectual Property.

(d) To the Corporation' s Knowledge, none of the Customer Deliverables, or the manufacture, marketing, sale, distribution, importation, provision or use thereof, infringes or violates, or constitutes a misappropriation of, any valid and enforceable Intellectual Property rights of any person or entity; and, to the Corporation' s Knowledge neither

the marketing, distribution, provision or use of any Customer Deliverables currently under development by the Corporation will, when such Customer Deliverables are commercially released by the Corporation, infringe or violate, or constitute a misappropriation of, any valid and enforceable Intellectual Property rights of any person or entity that exist today. To the Corporation' s Knowledge, none of the Internal Systems, or the use thereof, infringes or violates, or constitutes a misappropriation of, any valid and enforceable Intellectual Property rights of any person or entity.

(e) There is neither pending nor overtly threatened, or, to the Corporation' s Knowledge, any basis for, any claim or litigation against the Corporation contesting the validity or right to use any of the Listed Rights or Intellectual Property, and the Corporation has not received any notice of infringement upon or conflict with any asserted right of others nor, to the Corporation' s Knowledge, is there a basis for such a notice. To the Corporation' s Knowledge, no person, corporation or other entity is infringing the Corporation' s rights to the Listed Rights or Intellectual Property. Schedule 5.12(e) lists any complaint, claim or notice, or written threat thereof, received by the Corporation alleging any such infringement, violation or misappropriation, and the Corporation has provided to the Investors complete and accurate copies of all written documentation in the possession of the Corporation relating to any such complaint, claim, notice or threat. The Corporation has provided to the Investors complete and accurate copies of all written documentation in the Corporation' s possession relating to claims or disputes known to each of the Corporation concerning any Corporation Intellectual Property.

(f) Except as otherwise provided in Schedule 5.12(f), the Corporation, to the Corporation' s Knowledge has no obligation to compensate others for the use of any Listed Right or any Intellectual Property, nor has the Corporation granted any license or other right to use, in any manner, any of the Listed Rights or Intellectual Property, whether or not requiring the payment of royalties. Schedule 5.12(f) identities each license or other agreement pursuant to which the Corporation has licensed, distributed or otherwise granted any rights to any third party with respect to any Corporation Intellectual Property. Except as described in Schedule 5.12(f), the Corporation has not agreed to indemnify any person or entity against any infringement, violation or misappropriation of any Intellectual Property rights with respect to any Corporation Intellectual Property.

(g) Schedule 5.12(g) identifies each item of Corporation Intellectual Property that is owned by a party other than the Corporation, and the license or agreement pursuant to which the Corporation uses it (excluding off-the-shelf software programs licensed by the Corporation pursuant to "shrink wrap" licenses).

(h) The Corporation has not disclosed the source code for any software developed by it, or other confidential information constituting, embodied in or pertaining to such software, to any person or entity, except pursuant to the agreements listed in Schedule 5.12(h), and the Corporation has taken reasonable measures to prevent disclosure of any such source code.

(i) All of the copyrightable materials incorporated in or bundled with the Customer Deliverables have been created by employees of the Corporation within the scope

of their employment by the Corporation or by independent contractors of the Corporation who have executed agreements expressly assigning all right, title and interest in such copyrightable materials to the Corporation. Except as listed in Schedule 5.12(i), no portion of such copyrightable materials was jointly developed with any third party.

(j) To the Corporation' s Knowledge, the Customer Deliverables and the Internal Systems are free from significant defects or programming errors and conform in all material respects to the written documentation and specifications therefor.

(k) For purposes of this Agreement, the following terms shall have the following meanings:

(i) "Customer Deliverables" shall mean (a) the products that the Corporation (i) currently manufactures, markets, sells or licenses or (ii) currently plans to manufacture, market, sell or license in the future and (b) the services that the Corporation (i) currently provides or (ii) currently plans to provide in the future.

(ii) "Internal Systems" shall mean the internal systems of each of the Corporation that are presently used in its Business or operations, including, computer hardware systems, software applications and embedded systems.

(iii) "Intellectual Property" shall mean all: (A) patents, patent applications, patent disclosures and all related continuation, continuation-in-part, divisional, reissue, reexamination, utility model, certificate of invention and design patents, design patent applications, registrations and applications for registrations, including Listed Rights; (B) trademarks, service marks, trade dress, internet domain names, logos, trade names and corporate names and registrations and applications for registration thereof; (C) copyrights and registrations and applications for registration thereof; (D) mask works and registrations and applications for registration thereof; (E) computer software, data and documentation; (F) inventions, trade secrets and confidential business information, whether patentable or nonpatentable and whether or not reduced to practice, know-how, manufacturing and product processes and techniques, research and development information, copyrightable works, financial, marketing and business data, pricing and cost information, business and marketing plans and customer and supplier lists and information; (G) other proprietary rights relating to any of the foregoing (including remedies against infringements thereof and rights of protection of interest therein under the laws of all jurisdictions); and (H) copies and tangible embodiments thereof.

(iv) "Corporation Intellectual Property" shall mean the Intellectual Property owned by or licensed to the Corporation and incorporated in, underlying or used in connection with the Customer Deliverables or the Internal Systems.

(v) "Corporation' s Knowledge" shall mean (a) with respect to matters relating directly to the Corporation and its operations, the knowledge of Richard Lyttle, Nicholas Harvey, Louis O' Dea and Gary Hattersley (the "Officers") as well as other knowledge which such Officers would have possessed had they made diligent inquiry of appropriate employees and agents of the Corporation with respect to the matter in question; provided, that such Officers shall not be obligated to inquire further with respect to any list herein or in any

schedule hereto, and (b) with respect to external events or conditions, the actual knowledge of the Officers.

5.13 Securities Laws. Neither the Corporation nor anyone acting on its behalf has offered securities of the Corporation for sale to, or solicited any offers to buy the same from, or sold securities of the Corporation to, any person or organization, in any case so as to subject the Corporation, its promoters, directors and/or officers to any Liability under the Securities Act, the Securities and Exchange Act of 1934, as amended, or any state securities or "blue sky" law (collectively, the "Securities Laws"). The offer, grant, sale and/or issuance of the following were not, are not, or, as the case may be, will not be, in violation of the Securities Laws when offered, sold and issued in accordance with this Agreement and the 2003 Long-Term Incentive Plan, as amended:

(a) the Series A-1 Preferred Stock, as contemplated by this Agreement and the Exhibits and Schedules hereto, and in partial reliance upon the representations and warranties of the Investors set forth in Section 6 hereof;

(b) the Series A-2 Preferred Stock, the Series A-3 Preferred Stock and the Series A-4 Preferred Stock in the Recapitalization;

(c) the Common Stock issuable upon the conversion of Existing Preferred Stock in the Forced Conversion and the conversion of the Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock or Series A-4 Preferred Stock and in partial reliance upon the representations and warranties of the Investors set forth in Section 6 hereof; and

(d) the 2003 Plan Option Shares and stock options covering such shares.

5.14 Title to Properties.

(a) The Corporation has valid title to, or in the case of leased properties and assets, valid leasehold interests in, all of its properties and assets, necessary to conduct the Business in the manner in which it is currently conducted (in each case, free and clear of all liens, security interests, charges and other encumbrances of any kind, except liens for taxes not yet due and payable), including without limitation, all rights under any investigational drug application of the Corporation filed in the United States and in foreign countries, all rights pursuant to the authority of the FDA and any foreign counterparts to conduct clinical trials with respect to any investigational drug application filed with such agency relating to biologics or drugs relating to the Business and all rights, if any, to apply for approval to commercially market and sell biologics or drugs and none of such properties or assets is subject to any lien, security interest, charge or other encumbrance of any kind, other than those the material terms of which are described in Schedule 5.14(a).

(b) The Corporation does not own any real property or any buildings or other structures, nor have options or any contractual obligations to purchase or acquire any interest in real property. Schedule 5.14(b) lists all real property leases to which the Corporation is a party and each amendment thereto. All such current leases are in full force and effect, are

valid and effective in accordance with their respective terms, and there is not, under any of such leases, any existing default or event of default (or event that with notice or lapse of time, or both, would constitute a default). The Corporation, in its capacity as lessee, is not in violation of any zoning, building or safety ordinance, regulation or requirement or other law or regulation applicable to the operation of its leased properties, nor has it received any notice of violation with which it has not complied.

(c) The equipment, furniture, leasehold improvements, fixtures, vehicles, any related capitalized items and other tangible property material to the Business are in good operating condition and repair, ordinary wear and tear excepted.

5.15 Investments in Other Persons. Except as indicated in Schedule 5.15 attached hereto, (a) the Corporation has not made any loan or advance to any person or entity which is outstanding on the date hereof nor is it committed or obligated to make any such loan or advance, and (b) the Corporation has never owned or controlled and does not currently own or control, directly or indirectly, any subsidiaries and has never owned or controlled and does not currently own or control any capital stock or other ownership interest, directly or indirectly, in any corporation, association, partnership, trust, joint venture or other entity.

5.16 ERISA. Except as set forth in Schedule 5.16, neither the Corporation nor any entity required to be aggregated with the Corporation under Sections 414(b), (c), (m) or (n) of the Code (as hereinafter defined), sponsors, maintains, has any obligation to contribute to, has any liability under, or is otherwise a party to, any Benefit Plan. For purposes of this Agreement, "Benefit Plan" shall mean any plan, fund, program, policy, arrangement or contract, whether formal or informal, which is in the nature of (i) any qualified or non-qualified employee pension benefit plan (as defined in Section 3(2) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")) or (ii) an employee welfare benefit plan (as defined in section 3(1) of ERISA). With respect to each Benefit Plan listed in Schedule 5.16, to the extent applicable:

(a) Each such Benefit Plan has been maintained and operated in all material respects in compliance with its terms and with all applicable provisions of ERISA, the Internal Revenue Code of 1986, as amended (the "Code"), and all statutes, orders, rules, regulations, and other authority which are applicable to such Benefit Plan;

(b) All contributions required by law to have been made under each such Benefit Plan (without regard to any waivers granted under Section 412 of the Code) to any fund or trust established thereunder in connection therewith have been made by the due date thereof:

(c) Each such Benefit Plan intended to qualify under Section 401(a) of the Code is the subject of a favorable unrevoked determination letter issued by the Internal Revenue Service as to its qualified status under the Code, which determination letter may still be relied upon as to such tax qualified status, and no circumstances have occurred that would adversely affect the tax qualified status of any such Benefit Plan;

(d) The actuarial present value of all accrued benefits under each such

Benefit Plan subject to Title IV of ERISA did not, as of the latest valuation date of such Benefit Plan, exceed the then current value of the assets of such Benefit Plan allocable to such accrued benefits, all as based upon the actuarial assumptions and methods currently used for such Benefit Plan;

(e) None of such Benefit Plans that are "employee welfare benefit plans" as defined in Section 3(1) of ERISA provides for continuing benefits or coverage for any participant or beneficiary of any participant after such participant' s termination of employment, except as required by applicable law; and

(f) Neither the Corporation nor any trade or business (whether or not incorporated) under common control with the Corporation within the meaning of Section 4001 of ERISA has, or at any time has had, any obligation to contribute to any "multiemployer plan" as defined in Section 3(37) of ERISA.

5.17 Use of Proceeds. The net proceeds received by the Corporation from the sale of the Series A-1 Preferred Stock shall be used by the Corporation generally for the purposes set forth in Schedule 5.17 attached hereto.

5.18 Permits and Other Rights; Compliance with Laws. The Corporation has all permits, licenses, registrations, certificates, accreditations, orders, authorizations or approvals from any Governmental Entity ("Permits") issued to or held by the Corporation. Other than the Permits listed on Schedule 5.18, there are no Permits, the loss or revocation of which would result in a Corporation Material Adverse Effect. The Corporation has all Permits necessary to permit it to own its properties and to conduct its Business as presently conducted and as proposed to be conducted. Each such Permit is in full force and effect and, to the Corporation' s Knowledge, no suspension or cancellation of such Permit is threatened and there is no basis for believing that such Permit will not be renewable upon expiration. The Corporation is in compliance in all material respects under each such Permit, and the transactions contemplated by this Agreement will not cause a violation under any of such Permits. The Corporation is in compliance in all material respects with all provisions of the laws and governmental rules and regulations applicable to its Business, properties and assets, and to the products and services sold by it, including, without limitation, all such rules, laws and regulations relating to fair employment practices and public or employee safety. The Corporation is in compliance with the Clinical Laboratories Improvement Act of 1967, as amended.

5.19 Insurance. Schedule 5.19 sets forth a true and complete list of all policies or binders of fire, theft, liability, product liability, workmen' s compensation, vehicular, directors' and officers' and other insurance held by or on behalf of the Corporation. Such policies and binders are in full force and effect, are in the amounts not less than is customarily obtained by corporations of established reputation engaged in the same or similar business and similarly situated and are in conformity with the requirements of all leases or other agreements to which the Corporation is a party and are valid and enforceable in accordance with their terms. The Corporation' s product liability insurance covers its clinical trials. The Corporation is not in default with respect to any provision contained in such policy or binder

nor has the Corporation failed to give any notice or present any claim under any such policy or binder in due and timely fashion. There are no outstanding unpaid claims under any such policy or binder. The

Corporation has not received notice of cancellation or non-renewal of any such policy or binder.

5.20 Board of Directors. Except as provided in Schedule 5.20 attached hereto, the Corporation has not extended any offer or promise or entered into any agreement, arrangement, understanding or otherwise, whether written or oral, with any person or entity by which the Corporation has agreed to allow such person or entity to participate, in any way, in the affairs of the Board of Directors, including without limitation, appointment or nomination as a member, or right to appear at, or receive the minutes of a meeting of the Board of Directors.

5.21 Books and Records. The minute books of the Corporation contain complete and accurate records of all meetings and other corporate actions of the stockholders and Boards of Directors and committees thereof. The stock ledger of the Corporation is complete and accurate and reflects all issuances, transfers, repurchases and cancellations of shares of capital stock of the Corporation.

5.22 Environmental Matters.

(a) The Corporation has not used, generated, manufactured, refined, treated, transported, stored, handled, disposed, transferred, produced, processed or released (together defined as "Release") any Hazardous Materials (as hereinafter defined) in any manner or by any means in violation of any Environmental Laws (as hereinafter defined). To the Corporation' s Knowledge, neither the Corporation nor any prior owner or tenant of the Property (as hereinafter defined) has Released any Hazardous Material or other pollutant or effluent into, on or from the Property in a way which can pose a risk to human health or the environment, nor is there a threat of such Release. As used herein, the term "Property" shall include, without limitation, land, buildings and laboratory facilities owned or leased by the Corporation or as to which the Corporation now has any duties, responsibilities (for clean-up, remedy or otherwise) or liabilities under any Environmental Laws, or as to which the Corporation or any subsidiary of the Corporation may have such duties, responsibilities or liabilities because of past acts or omissions of the Corporation or any such subsidiary or their predecessors, or because the Corporation or any such subsidiary or their predecessors in the past was such an owner or operator of, or some other relationship with, such land, buildings and/or laboratory facilities, all as more fully described in Schedule 5.22(a) of the Corporation' s Disclosure Schedule. The term "Hazardous Materials" shall mean (A) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," "hazardous air pollutants," "contaminants," "toxic chemicals," "toxins," "hazardous chemicals," "extremely hazardous substances," "pesticides," "oil" or related materials as defined in any applicable Environmental Law, or (B) any petroleum or petroleum products, oil, natural or synthetic gas, radioactive materials, asbestos-containing materials, urea formaldehyde foam insulation, radon, and any other substance defined or designated as hazardous, toxic or harmful to human health, safety or the environment under any Environmental Law.

(b) No notice of lien under any Environmental Laws has been filed against any Property of the Corporation.

(c) The use of the Property complies with lawful, permitted and

conforming uses in all material respects under all applicable building, tire, safety, subdivision, zoning, sewer, environmental, health, insurance and other such laws, ordinances, rules, regulations and plan approval conditions of any governmental or public body or authority relating to the use of the Property.

(d) Except as described in Schedule 5.22(d) of the Corporation' s Disclosure Schedule, to the Corporation' s Knowledge, the Property does not contain: (i) asbestos in any form; (ii) urea formaldehyde foam insulation; (iii) transformers or other

equipment which contain dialectic fluid containing levels of polychlorinated biphenyls; (iv) radon; or (v) any other chemical, material or substance, the exposure to which is prohibited, limited or regulated by a federal, state or local government agency, authority or body, or which, even if not so regulated, to the Corporation' s Knowledge after reasonable investigation, may or could pose a hazard to the health and safety of the occupants of the Property or the owners or occupants of property adjacent to or in the vicinity of the Property.

(e) The Corporation has not received written notice that the Corporation is a potentially responsible party for costs incurred at a cleanup site or corrective action under any Environmental Laws. The Corporation has not received any written requests for information in connection with any inquiry by any Governmental Authority (as defined hereinafter) concerning disposal sites or other environmental matters. As used herein, "Governmental Authority" shall mean any nation or government, any federal, state, municipal, local, provincial, regional or other political subdivision thereof and any entity or person exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government, Schedule 5.22(e) of the Corporation' s Disclosure Schedule identifies all locations where Hazardous Materials used in whole or in part by the Business of the Corporation or resulting from the Business, facilities or Property of the Corporation have been stored or disposed of by or on behalf of the Corporation. As used herein, "Environmental Laws" shall mean all applicable federal, state and local laws, ordinances, rules and regulations that regulate, fix liability for, or otherwise relate to, the handling, use (including use in industrial processes, in construction, as building materials, or otherwise), storage and disposal of hazardous and toxic wastes and substances, and to the discharge, leakage, presence, migration, threatened Release or Release (whether by disposal, a discharge into any water source or system or into the air, or otherwise) of any pollutant or effluent. Without limiting the preceding sentence, the term "Environmental Laws" shall specifically include the following federal and state laws, as amended:

FEDERAL

Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. § 9601 et seq.; the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11001 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq.; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq.; the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. § 136 et seq.; the Toxic Substance Control Act, 15 U.S.C. § 2601 et seq.; the Oil Pollution Act of 1990, 33 U.S.C. § 1001 et seq.; the Hazardous Materials

Transportation Act, as amended, 49 U.S.C. § 1801 et seq.; the Atomic Energy Act, as amended 42 U.S.C. § 2011 et seq.; the Occupational Safety and Health Act, as amended, 29 U.S.C. § 651 et seq.; the Federal Food, Drug and Cosmetic Act, as amended 21 U.S.C. § 301 et seq. (insofar as it regulates employee exposure to Hazardous Substances); the Clean Air Act, 42 U.S.C. 7401 et. seq.

STATE

MASSACHUSETTS ENVIRONMENTAL STATUTES

Massachusetts Clean Waters Act, Mass. Gen. L. Ch. 21, Section 26, et. seq., and regulations thereto; Massachusetts Solid Waste Disposal Laws. Mass. Gen. L. Ch. 16, Section 18, et. seq., and Ch. 111, Section 1 05A, and regulations thereto; Massachusetts Oil and Hazardous Materials Release Prevention and Response Act, Mass. Gen. L., Ch. 21 E, Section 1, et. seq., and regulations thereto; Massachusetts Solid Waste Facilities Law, Mass. Gen. L., Ch. 21H, Section 1, et. seq., and regulations thereto; Massachusetts Toxic Use Reduction Act, Mass. Gen. L., Ch. 211, Section 1, et. seq., and regulations thereto; Massachusetts Litter Control Laws, Mass. Gen. L. Ch. 111. Section 1 50A, et. seq., and regulations thereto; Massachusetts Wetlands Protection Laws, Mass. Gen. L., Ch. 130, Section 105, et. seq., and regulations thereto; Massachusetts Environmental Air Pollution Control Law, Mass. Gen. L.. Ch. 101, Section 2B, et. seq., and regulations thereto; Massachusetts Environmental Policy Act, Mass. Gen. L. Ch. 30, Section 61, et. seq., and regulations thereto; and Massachusetts Hazardous Waste Laws, Mass. Gen. L. Ch. 21C, Section 1, et. seq., and regulations thereto.

(f) The Corporation has maintained all environmental and operating documents and records substantially in the manner and for the time periods required by the Environmental Laws and any other laws, regulations or orders and has never conducted an environmental audit except as disclosed in Schedule 5.22(f) of the Corporation' s Disclosure Schedule. For purposes of this Section 5.22(f), an environmental audit shall mean any evaluation, assessment, study or test performed at the request of or on behalf of a Governmental Authority, including, but not limited to, a public liaison committee, but does not include normal or routine inspections, evaluations or assessments which do not relate to a threatened or pending charge, restraining order or revocation of any permit, license, certificate, approval, authorization, registration or the like issued pursuant to the Environmental Laws and any other law, regulation or order.

(g) To the Corporation' s Knowledge, no part of the Property of the Corporation is (i) located within any wetlands area, (ii) subject to any wetlands regulations, or (iii) included in or is proposed for inclusion in, or abuts any property included in or proposed for inclusion in, the National Priority List or any similar state lists.

5.23 FDA Matters.

(a) The Corporation has (i) complied in all material respects with all applicable laws, regulations and specifications with respect to the manufacture, design, sale, storing, labeling, testing, distribution, inspection, promotion and marketing of all of the Corporation' s products and product candidates and the operation of manufacturing facilities promulgated by the U.S. Food and Drug Administration (the "FDA") or any corollary entity in any other jurisdiction and (ii) conducted, and in the case of any clinical trials conducted on its behalf, caused to be conducted, all of its clinical trials with reasonable care and in compliance in all material respects with all applicable laws and the stated protocols for such clinical trials.

(b) All of the Corporation' s submissions to the FDA and any corollary entity in any other jurisdiction, whether oral, written or electronically delivered, were true, accurate and complete in all material respects as of the date made, and remain true, accurate and complete in all material respects and do not misstate any of the statements or information included therein, or omit to state a fact necessary to make the statements therein not materially misleading.

(c) The Corporation has not committed any act, made any statement or failed to make any statement that would breach the FDA' s policy with respect to "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities" set forth in 56 Fed. Reg. 46191 (September 10, 1991) or any similar laws, rules or regulations, whether under the jurisdiction of the FDA or a corollary entity in any other jurisdiction, and any amendments or other modifications thereto. Neither the Corporation nor, to the Corporation' s Knowledge, any officer, employee or agent of the Corporation has been convicted of any crime or engaged in any conduct that would reasonably be expected to result in (i) debarment under 21 U.S.C. Section 335a or any similar state or foreign law or regulation or (ii) exclusion under 42 U.S.C. Section 1320a 7 or any similar state or foreign law or regulation, and neither the Corporation nor, to the Corporation' s Knowledge, any such person has been so debarred or excluded.

(d) The Corporation has not sold or marketed any products prior to receiving any required or necessary approvals or consents from any federal or state governmental authority, including but not limited to the FDA under the Food, Drug & Cosmetics Act of 1976, as amended, and the regulations promulgated thereunder, or any corollary entity in any jurisdiction. The Corporation has not received any notice of, nor is the Corporation aware of any, actions, citations, warning letters or Section 305 notices from the FDA or any corollary entity.

5.24 Compliance with Privacy Laws

(a) For purposes of this Agreement:

(i) "Foreign Privacy Laws" shall mean (a) the Directive 95/46/EC of the Parliament and of the Council of the European Union of 24 October 1995 on the protection of individuals with regard to the collection, use, disclosure, and

processing of personal data and on the free movement of such data, (b) the corresponding national rules, regulations, codes, orders, decrees and rulings thereunder of the member states of the European Union and (c) any rules, regulations, codes, orders, decree, and rulings thereunder related to privacy, data protection or data transfer issues implemented in other countries.

(ii) "US Privacy Laws" shall mean any rules, regulations, codes, orders, decrees, and rulings thereunder of any federal, state, regional, county, city, municipal or local government of the United States or any department, agency, bureau or other administrative or regulatory body obtaining authority from any of the foregoing that relate to privacy, data protection or data transfer issues, including all implementing laws, ordinances or regulations, including, without limitation, the Health Insurance Portability and Accountability Act of 1996, as amended; the Children' s Online Privacy Protection Act (COPPA) of 1998, as amended; the Financial Modernization Act (Graham-Leach-Bliley Act) of 2000, as amended; the Fair Credit Reporting Act of 1970, as amended; the Privacy Act of 1974, as amended; the Family Education Rights and Privacy Act of 1974, as amended; the Right to Financial Privacy Act of 1978, as amended; the Privacy Protection Act of 1980, as amended; the Cable Communications Policy Act of 1984, as amended; the Electronic Communications Privacy Act of 1986, as amended; the Video Privacy Protection Act of 1988, as amended; the Telephone Consumer Protection Act of 1991, as amended; the Driver' s Privacy Protection Act of 1994, as amended; the Communications Assistance for Law Enforcement Act of 1994, as amended; the Telecommunications Act of 1996, as amended; and any implementing regulations related thereto;

(b) The Corporation is currently and has been at all times in compliance in all material respects with all Foreign Privacy Laws and US Privacy Laws; and the Corporation has not received notice (in writing or otherwise) regarding violation of such Foreign Privacy Laws or US Privacy Laws.

(c) No action, suit, proceeding, investigation, charge, complaint, claim, demand, or notice has been filed or commenced against the Corporation, nor to the Corporation' s Knowledge threatened against the Corporation, relating to Foreign Privacy Laws and US Privacy Laws; nor has the Corporation incurred any material liabilities (whether accrued, absolute, contingent or otherwise) under any Foreign Privacy Laws or US Privacy Laws.

(d) Health Insurance Portability and Accountability Act of 1996. The Corporation (i) has assessed the applicability of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations (collectively, "HIPAA") to the Corporation, including the fully insured and self-insured health plans that the Corporation sponsors or has sponsored or contributes to or has contributed to and health care provider activities, if any, in which the Corporation engages, (ii) has complied in all relevant respects with HIPAA, including 45 C.F.R. Part 160 and Subparts A and E of Part 164 (the "HIPAA Privacy Rule"), including but not limited to HIPAA Privacy Rule requirements relating to health information use and disclosure, notices of privacy rights, appointment of a Privacy Officer, adoption of a privacy policy, amendment of plan documents, and implementation of employee training as to the handling of protected health information, and (iii) if required under the HIPAA Privacy Rule, has entered into business associate agreements on behalf of the Corporation' s health plans covering the handling of protected health information with vendors and others categorized under HIPAA as business associates of the Corporation' s health plans.

(e) Other Health Information Laws. Without limiting the generality of Section 5.24(a) through Section 5.24(d),

(i) the Corporation is currently, and has been at all times since its incorporation, in compliance in all material respects with all applicable health insurance, health information security, health information privacy, and health information transaction format Laws (each a "Health Information Law"), including, without limitation, any rules, regulations, codes, orders, decrees, and rulings thereunder of any federal, state, regional, county, city, municipal or local government, whether foreign or domestic, or any department, agency, bureau or other administrative or regulatory body obtaining authority from any of the foregoing; and

(ii) no action, suit, proceeding, investigation, charge, complaint, claim, demand, or notice has been filed or commenced against the Corporation nor to the Corporation' s Knowledge threatened against the Corporation, alleging any failure to comply with any Health Information Law; nor has the Corporation incurred any material liabilities (whether accrued, absolute, contingent or otherwise) under any Health Information Law.

5.25 Health Care and Affiliated Transactions; Stark and Anti-Kickback Laws.

(a) For purposes of the Stark II law and implementing regulations, if applicable, none of the directors or officers of the Corporation, or physicians employed by the Corporation, any other affiliates of the Corporation, or any of their respective immediate family members is (i) to the Corporation' s Knowledge, a partner or stockholder or has any other economic interest in any customer or supplier of the Corporation; (ii) a party to any transaction or contract with the Corporation; or (iii) indebted to the Corporation. The Corporation has not paid, or incurred any obligation to pay, any fees, commissions or other amounts to and is not a party to any agreement, business arrangement or course of dealing with any firm of or in which any of directors, officers or affiliates of the Corporation, or any of their respective immediate family members, is a partner or stockholder or has any other economic interest, other than ownership of less than one percent (1%) of a publicly traded corporation. No physician or family member of a physician has a financial relationship with the Corporation in violation of Section 1877 of the Social Security Act. The Corporation has made all filings required by Section 1877 of the Social Security Act.

(b) The Corporation has complied with all applicable state and federal "anti-kickback," fraud and abuse, false claims and related statutes and regulations. The Corporation has received no notice of nor is otherwise aware of any inquiries, audits, subpoenas or other investigations involving Corporation by the U.S. Department of Health and Human Services, the U.S. Office of Inspector General, any U.S. Attorney' s Office or any other federal or state agency with jurisdiction over such statutes or regulations.

SECTION 6. Representations and Warranties of the Investor to the Corporation.

The Investor represents and warrants to the Corporation as follows:

(a) It is acquiring the Series A-1 Preferred Stock and, in the event it should acquire Reserved Common Shares upon conversion of the Series A-1 Preferred Stock, it will be acquiring such Reserved Common Shares, for its own account, for investment and not with a view to the distribution thereof within the meaning of the Securities Act.

(b) It is an "accredited investor" as such term is defined in Rule 501(a) promulgated under the Securities Act.

(c) It agrees that the Corporation may place a legend on the certificates delivered hereunder stating that the Series A-1 Preferred Stock and any Reserved Common Shares have not been registered under the Securities Act, and, therefore, cannot be offered, sold or transferred unless they are registered under the Securities Act or an exemption from such registration is available and that the offer, sale or transfer of the Series A-1 Preferred Stock and any Reserved Common Shares is further subject to any restrictions imposed by this Agreement and the Stockholders' Agreement.

(d) The execution, delivery and performance by it of this Agreement have been duly authorized by all requisite action of it.

(e) It further understands that the exemptions from registration afforded by Rule 144 and Rule 144A (the provisions of which are known to it) promulgated under the Securities Act depend on the satisfaction of various conditions, and that, if applicable, Rule 144 may afford the basis for sales only in limited amounts.

(f) It has such knowledge and experience in business and financial matters and with respect to investments in securities of privately-held companies so as to enable it to understand and evaluate the risks of its investment in the Series A-1 Preferred Stock

and form an investment decision with respect thereto. It has been afforded the opportunity during the course of negotiating the transactions contemplated by this Agreement to ask questions of, and to secure such information from, the Corporation and its officers and directors as it deems necessary to evaluate the merits of entering into such transactions.

(g) It is duly organized and validly existing and has the power and authority to enter into this Agreement and it has not been organized, reorganized or recapitalized specifically for the purpose of acquiring the securities of the Corporation.

(h) It has adequate net worth and means of providing for its current needs and personal contingencies to sustain a complete loss of its investment in the Corporation. The Investors understand that the foregoing representations and warranties shall be deemed material and to have been relied upon by the Corporation.

SECTION 7. Closing Conditions.

(a) It shall be a condition precedent to the obligations of the Corporation hereunder to be performed at the Stage I Closing, as to the Investor that the representations and warranties contained herein of the Investor hereunder shall be true and correct as of the date of such Closing with the same force and effect as though such representations and warranties had been made on and as of such date.

(b) The Stage I Closing pursuant to the April 25 Agreement shall have occurred or, if the Closing takes place on May 17, 2011, shall occur concurrently with the Closing hereunder, and in each case the sale of stock under such Agreement shall be at a per

share purchase price equal to that hereunder and aggregate proceeds to the Company shall not be at less $20 million.

(c) Ipsen has become a party to the Amended and Restated Stockholders' Agreement dated April 25, 2011 among the Company and the other parties named therein.

SECTION 8. Acknowledgement Regarding the Merger.

The Investor hereby, in its capacity as a future stockholder of the Corporation, (a) acknowledges that such Investor is aware that the Corporation has, prior to the execution and delivery of this Agreement, entered into an Agreement and Plan of Merger with MPMAC and Merger Sub with respect to the proposed Merger, an executed copy of which is attached hereto as Exhibit F (the "Merger Agreement"), and (b) acknowledges that such Investor has received and reviewed the Merger Agreement.

SECTION 9. Expenses and Fees.

The Corporation shall pay, and hold the Investor harmless against all liability for the payment of all costs and other expenses incurred by the Investor in connection with the Corporation' s performance of and compliance with all agreements and conditions contained herein or contemplated hereby on its part to be performed or complied with. The Corporation further agrees that it will pay, and hold the Investor harmless from, any and all liability with respect to any stamp or similar taxes which may be determined to be payable in connection with the execution and delivery of this Agreement or any modification, amendment or alteration of the terms or provisions of this Agreement and that it will similarly pay, and hold the Investor harmless from, all issue taxes in respect of the issuance of the Series A-1 Preferred Stock to the Investor. the

SECTION 10. Certain Covenants.

Without the prior written consent of the holders of a majority of the shares of Series A-1 Preferred Stock issued and outstanding at the time (the "Majority Investors"), the Corporation shall not issue any shares of Series A-1 Preferred Stock or any securities convertible into

shares of Series A-1 Preferred Stock other than (i) Excluded Stock (as defined in the Certificate of Incorporation of the Corporation), (ii) pursuant to the terms of this Agreement or (iii) pursuant to agreements, warrants or arrangements described on **Schedule 10** hereof.

SECTION 11. Brokers or Finders.

The Corporation represents and warrants to the Investor, and the Investor represents and warrants to the Corporation, that, other than Leerink Swann LLC, which has acted as advisor to the Corporation in connection with the transactions contemplated by this Agreement, no person or entity has or will have, as a result of the transactions contemplated by this Agreement, any right, interest or valid claim against or upon the Corporation or the Investors for any commission, fee or other compensation as a finder or broker because of any act or omission by the Corporation or the Investor or by any agent of the Corporation or the Investors.

SECTION 12. Exchanges Lost. Stolen or Mutilated Certificates.

Upon surrender by the Investor to the Corporation of shares of Series A-1 Preferred Stock or Reserved Common Shares acquired by such Investor hereunder, the Corporation, at its expense, will issue in exchange therefor, and deliver to such Investor, a new certificate or certificates representing such shares in such denominations as may be requested by such Investor. Upon receipt of evidence satisfactory to the Corporation of the loss, theft, destruction or mutilation of any certificate representing any shares of Common Stock or Preferred Stock purchased or acquired by any Investor hereunder and, in case of any such loss, theft or destruction, upon delivery of any indemnity agreement satisfactory to the Corporation, or in case of any such mutilation, upon surrender and cancellation of such certificate, the Corporation, at its expense, will issue and deliver to such Investor a new certificate for such shares of Common Stock or Preferred Stock, as applicable, of like tenor, in lieu of such lost, stolen or mutilated certificate.

SECTION 13. Survival of Representations and Warranties.

The representations and warranties set forth in Sections 5 and 6 hereof shall survive the Closings indefinitely.

SECTION 14. Indemnification.

The Corporation shall indemnify, defend and hold the Investor harmless against any and all liabilities, loss, cost or damage, together with all reasonable costs and expenses related thereto (including legal and accounting fees and expenses), arising from, relating to, or connected with the untruth, inaccuracy or breach of any statements, representations, warranties or covenants of the Corporation contained herein, including, but not limited to, all statements, representations, warranties or covenants concerning environmental matters.

SECTION 15. Remedies.

In case any one or more of the representations, warranties, covenants and/or agreements set forth in this Agreement shall have been breached by any party hereto, the party or parties entitled to the benefit of such representations, warranties, covenants or agreements may proceed to protect and enforce its or their rights either by suit in equity and/or action at law, including, but not limited to, an action for damages as a result of any such breach and/or an action for specific performance of any such covenant or agreement contained in this Agreement. The rights, powers and remedies of the parties under this Agreement are cumulative and not exclusive of any other right, power or remedy which such parties may have under any other agreement or law. No single or partial assertion or exercise of any right, power or remedy of a party hereunder shall preclude any other or further assertion or exercise thereof.

SECTION 16. Successors and Assigns.

Except as otherwise expressly provided herein, this Agreement shall bind and inure to the benefit of the Corporation and the Investor and the respective permitted successors and assigns of the Investor and the permitted successors and assigns of the Corporation. Subject to the provisions of Sections 3.1, 3.2, 3.3 and 3.10 of the Stockholders' Agreement, this Agreement and

the rights and duties of the Investor set forth herein may be freely assigned, in whole or in part, by the Investor. Neither this Agreement nor any of the rights or duties of the Corporation set forth herein shall be assigned by the Corporation, in whole or in part, without having first received the written consent of the Majority Investors. Notwithstanding the foregoing, upon the consummation of the Merger and with respect to all times following the consummation of the Merger, (i) the Corporation shall, and hereby does, assign all of its rights, duties and obligations under this Agreement to MPMAC and (ii) all references to the "Corporation" in this Agreement and to its capital stock or any other aspects of the Corporation shall be deemed to be references to MPMAC and its capital stock and other applicable aspects of MPMAC. MPMAC, by executing this Agreement as an anticipated successor and assign to the Corporation, does hereby assume, effective upon the consummation of the Merger, all of the Corporation' s rights, duties and obligations under this Agreement and Radius will be released from its duties and obligations under this Agreement. All parties to this Agreement hereby consent to the assignment and assumption contemplated between the Corporation and MPMAC set forth in this paragraph.

SECTION 17. Entire Agreement.

This Agreement, together with the other writings referred to herein, including the Restated Charter and the Stockholders' Agreement, or delivered hereunder and which form a part hereof, contains the entire agreement among the parties with respect to the subject matter hereof and amends, restates and supersedes all prior and contemporaneous arrangements or understandings, whether written or oral, with respect thereto.

SECTION 18. Notices.

All notices, requests, consents and other communications hereunder to any party shall be deemed to be sufficient if contained in a written instrument delivered in person or duly sent by first class registered, certified or overnight mail, postage prepaid, or telecopied or e-mailed with a confirmation copy by regular mail, addressed, telecopied or e-mailed, as the case may be, to such party at the address, telecopier number or e-mail address, as the case may be, set forth below or such other address, telecopier number or e-mail address, as the case may be, as may hereafter be designated in writing by the addressee to the addressor listing all parties:

(i) if to the Corporation. to:

Radius Health, Inc.
201 Broadway
Sixth Floor
Cambridge, MA 02139
Attention: B. Nicholas Harvey
Telecopier: (617) 444-1834
E-mail: bnharvey@radiuspharm.com

with a copy to:

Bingham McCutchen
One Federal Street
Boston. MA 02110-1726

Attention: Julio E. Vega, Esq.

Telecopier: (617) 951-8736
E-mail: Julio.vega@bingham.com

(ii) if to Investor, as set forth on Schedule 1.

All such notices, requests, consents and other communications shall be deemed to have been received: (a) in the case of personal delivery, on the date of such delivery; (b) in the case of mailing, on the third business day following the date of such mailing; (c) in the case of overnight mail, on the first business day following the date of such mailing; (d) in the case of facsimile transmission, when confirmed by facsimile machine report; or (e) in the case of e-mail delivery, when confirmed by the sender' s e-mail system.

SECTION 19. Changes.

The terms and provisions of this Agreement may not be modified or amended, or any of the provisions hereof waived, temporarily or permanently, except pursuant to a writing executed by a duly authorized representative of the Corporation, MPMAC and the Investor..

SECTION 20. Counterparts.

This Agreement may be executed in any number of counterparts, and each such counterpart shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.

SECTION 21. Headings.

The headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of this Agreement.

SECTION 22. Nouns and Pronouns.

Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of names and pronouns shall include the plural and vice-versa.

SECTION 23. Severability.

Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 24. Further Assurances.

The parties shall cooperate reasonably with each other in connection with any steps

required to be taken as part of their respective obligations under this Agreement, and shall furnish upon request to each other such further information, execute and deliver to each other such other documents, and do such other acts and things, all as the other party may reasonably request for purposes of carrying out the intend of this Agreement and consummating the transactions contemplated hereby.

SECTION 25. Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, excluding choice of laws rules thereof.

(*Remainder of Page Left Intentionally Blank.*)

(Signature Page to Stock Purchase Agreement)

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

THE CORPORATION:

RADIUS HEALTH, INC.

By: /s/ C. Richard Edmund Lyttle
Name: C. Richard Edmund Lyttle
Title: President

As an anticipated successor and assign to the Corporation under Section 16 hereof:

MPM ACQUISITION CORP.

By: /s/ C. Richard Edmund Lyttle
Name: C. Richard Edmund Lyttle
Title: President

INVESTOR:

IPSEN PHARMA SAS

By: /s/ Marc de Garidel
Name: Marc de Garidel
Title: Chairman and CEO

Schedule I

Name of Investors	Address of Record	Stage I Preferred Shares
Ipsen Pharma SAS	Attn: Ipsen Pharma SAS 42 Rue du Docteur Blanche 75016 Paris, France	*See calculation in Section 3.2*
TOTAL:		

Exhibit A

Form of Restated Certificate

FOURTH AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION

OF

RADIUS HEALTH, INC.

(Pursuant to Section 242 and 245 of the
General Corporation Law of the State of Delaware)

Radius Health, Inc., a Delaware corporation hereby certifies as follows:

1. The name of the corporation is Radius Health, Inc. (the "Corporation"). The Corporation filed its original Certificate of Incorporation with the Secretary of State of the State of Delaware on October 3, 2003 and the name under which it was originally incorporated was NuVios, Inc.

2. This Fourth Amended and Restated Certificate of Incorporation (the "Certificate") amends, restates and integrates the provisions of the Third Amended and Restated Certificate of Incorporation as heretofore in effect (the "Prior Certificate"), has been duly adopted in accordance with the provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware ("DGCL"), and has been approved by written consent of the stockholders of the Corporation in accordance with the provisions of Section 228 of the DGCL (prompt notice of such action having been given to those stockholders who did not consent in writing).

3. Effective immediately at the effective date of the filing of this Certificate (the "Effective Time"), the Prior Certificate, as heretofore amended, is hereby further amended and restated to read in its entirety as follows:

ARTICLE I
Name

The name of the corporation is Radius Health, Inc.

ARTICLE II
Purpose

The Corporation is organized to engage in any lawful act or activity for which a corporation may be organized under the DGCL.

ARTICLE IIA
Reverse Split

Simultaneously with the Effective Time (the "Split Effective Date"), a reverse split (the "Reverse Split") of the Corporation' s outstanding capital stock shall occur as follows: (a) each share of Common Stock issued and outstanding or held as treasury shares immediately prior to the Split Effective Date (the "Old Common Stock") shall automatically without any action on the part of the holder thereof, be reclassified and changed into 0.06666667 of one share of Common Stock from and after the Split Effective Date (the "New

Common Stock"), (b) each share of Series A Stock issued and outstanding or held as treasury shares immediately prior to the Split Effective Date (the "Old Series A Stock") shall automatically without any action on the part of the holder thereof, be reclassified and changed into

0.06666667 of one share of Series A Stock from and after the Split Effective Date (the "New Series A Stock"), (c) each share of Series B Stock issued and outstanding or held as treasury shares immediately prior to the Split Effective Date (the "Old Series B Stock") shall automatically without any action on the part of the holder thereof, be reclassified and changed into 0.06666667 of one share of Series B Stock from and after the Split Effective Date (the "New Series B Stock") and (d) each share of Series C Stock issued and outstanding or held as treasury shares immediately prior to the Split Effective Date (the "Old Series C Stock") shall automatically without any action on the part of the holder thereof, be reclassified and changed into 0.06666667 of one share of Series C Stock from and after the Split Effective Date (the "New Series C Stock"). No fractional shares of Common Stock or Preferred Stock shall be issued upon such reclassification effected by the Reverse Split. Rather, if such reclassification would result in the issuance of any fractional share to any stockholder after aggregating all fractional shares of any class or series of stock otherwise issuable to such stockholder, the Corporation shall, in lieu of issuing any fractional share to such stockholder, pay a cash amount to such stockholder equal to the sum of (A) the product of any fractional share of New Common Stock pertaining to such stockholder multiplied by $8.142, (B) the product of any fractional share of New Series A Stock pertaining to such stockholder multiplied by $8.142, (C) the product of any fractional share of New Series B Stock pertaining to such stockholder multiplied by $8.142 and (D) the product of any fractional share of New Series C Stock pertaining to such stockholder multiplied by $8.142. Subject to the rest of the provisions of this Certificate, each holder of a certificate or certificates, which immediately prior to the Split Effective Date represented outstanding shares of Old Common Stock, Old Series A Stock, Old Series B Stock and Old Series C Stock, as applicable (the "Old Certificates"), shall, from and after the Split Effective Date, be entitled to receive upon surrender of such Old Certificates to the Corporation' s transfer agent for cancellation, a certificate or certificates (the "New Certificates") representing the shares of New Common Stock, New Series A Stock, New Series B Stock and New Series C Stock, as applicable, into which the shares of Old Common Stock, Old Series A Stock, Old Series B Stock and Old Series C Preferred Stock formerly represented by such Old Certificates so surrendered are reclassified under the terms hereof. All stock numbers and prices set forth in this Certificate (including, without limitation, those share numbers set forth in Article III) give effect to the Reverse Split and no further adjustments are necessary with respect thereto.

ARTICLE III
Capital Stock

Authorization. The total number of shares of all classes of stock which the Corporation shall have authority to issue is Seventy-six Million Thirty-four Thousand Twenty-nine (76,034,029) shares, consisting of Sixty Three Thousand (63,000) shares of Series A Junior Convertible Preferred Stock, par value $.01 per share (the "Series A Stock"), One Million Six Hundred Thousand (1,600,000) shares of Series B Convertible Redeemable Preferred Stock, par value $.01 per share (the "Series B Stock"), Ten Million One Hundred Forty-six Thousand Six Hundred Twenty-nine (10,146,629) shares of Series C Convertible Preferred Stock, par value $.01 per share, (the "Series C Stock", and together with the Series B Stock, the "Existing Senior Preferred Stock", and collectively with the Series A Stock and Series B Stock, the "Existing Preferred Stock"), Ten Million (10,000,000) shares of Series A-1 Convertible Preferred Stock, par value $.01 per share (the "Series A-1 Stock"), Nine Million Eight Hundred Thirty-two Thousand One Hundred Thirty-three (9,832,133) shares of Series A-2 Convertible Preferred Stock, par value $.01 per share (the "Series A-2 Stock"), One Million Four Hundred Twenty-two Thousand Three Hundred (1,422,300) shares of Series A-3 Convertible Preferred Stock, par value $.01 per share, (the "Series A-3 Stock" and together with the Series A-1 Stock and Series A-2 Stock, the "Participating Preferred Stock"), Forty Thousand and Three (40,003) shares of Series A-4 Convertible Preferred Stock, par value $.01 per share (the "Series A-4 Stock"), Seventy Thousand (70,000) shares of Series A-5 Convertible Preferred Stock, par value $.01 per share (the "Series A-5 Stock") and Eight Million (8,000,000) shares of Series A-6 Convertible Preferred Stock, par value $.01 per share (the "Series A-6

Stock", and together with the Series A-1 Stock, the Series A-2 Stock, the Series A-3 Stock, the Series A-4 Stock and the Series A-5 Stock, the "New Preferred Stock"), and Thirty-four Million Eight Hundred Fifty-nine Thousand Nine Hundred Sixty-four (34,859,964) shares of Common Stock, par value $.01 per share (the "Common Stock").

SPECIAL NOTE: ***The terms, conditions, designations, preferences and privileges of the Existing Preferred Stock are set forth below in Part A of this Article III, however, it is expected that upon the Stage I Closing (as defined in the Series A-1 Purchase Agreement) of the Qualified Financing (as defined herein), all shares of Existing Preferred Stock will be converted into shares of New Preferred Stock or Common Stock, the terms, conditions, designations, preferences and privileges of which are set forth in Part B and Part C of this Article III, respectively.***

PART A. EXISTING PREFERRED STOCK

1. Designation and Amount. The number of shares, powers, terms, conditions, designations, preferences and privileges, relative, participating, optional and other special rights, and qualifications, limitations and restrictions, if any, of the Existing Preferred Stock shall be as set forth in this Part A. The number of authorized shares of the Series A Stock is Sixty Three Thousand (63,000), the number of authorized shares of the Series B Stock is One Million Six Hundred Thousand (1,600,000), and the number of authorized shares of the Series C Stock is Ten Million One Hundred Forty-six Thousand Six Hundred Twenty-nine (10,146,629).

2. Ranking. The Corporation' s shares of Series C Stock shall rank, as to dividends and upon Liquidation (as defined in Section A.4(b) hereof) and Event of Sale (as defined in Section A.4(h) hereof), equally with each other and senior and prior to the Corporation' s shares of Series B Stock and Series A Stock. The Corporation' s shares of Series B Stock shall rank, as to dividends and upon Liquidation and Event of Sale, equally with each other and senior and prior to the Corporation' s shares of Series A Stock. With respect to dividends, Liquidation and Event of Sale prior, the Series A Stock, Series B Stock and Series C Stock shall rank senior and prior to the Corporation' s Common Stock and to all other classes or series of stock issued by the Corporation, except as otherwise approved by the affirmative vote or consent of the holders shares of Existing Senior Preferred Stock representing at least a majority of the shares of the voting power of the Existing Senior Preferred Stock then outstanding (determined as set forth in the second sentence of Section A.6(a) hereof) (the "Existing Senior Majority").

3. Dividend Provisions.

(a) Series C Stock. The holders of shares of the Series C Stock shall be entitled to receive dividends at the rate of 8% of the Series C Original Purchase Price (as defined in Section A.8 hereof) per annum, compounding annually, and which will accrue on a quarterly basis commencing on the applicable date of issuance of each of such shares of Series C Stock. The holders of Series C Stock shall be entitled to receive dividends prior in right to the payment of dividends and other distributions (whether in cash, property or securities of the Corporation, including subscription or other rights to acquire securities of the Corporation) on the Series B Stock, Series A Stock and Common Stock. Dividends hereunder shall be payable in cash, when, as and if declared or paid by the Board of Directors and, as accrued, on any Liquidation (as defined in Section A.4(b) hereof) or Event of Sale (as defined in Section A.4(h)(vii) hereof), or upon any Redemption Date (as defined in Section A.5(c) hereof). Dividends hereunder shall be payable in shares of Common Stock (calculated based upon the then effective Series C Conversion Price), as accrued, upon the conversion of the Series C Stock into Common Stock. Whenever any dividend may be declared or paid on any shares of Series C Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series C Stock then outstanding, so that all outstanding shares of Series C Stock

will participate equally with each other and ratably per share (calculated as provided in Section A.3(d) hereof). Whenever any dividend or other distribution, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series C Stock then outstanding so that all outstanding shares of Series C Stock will participate in such dividend ratably with such shares of Common Stock (calculated as provided in Section A.3(d) hereof); or (ii) any shares of any other series of Preferred Stock, the Board of Directors shall also declare and pay a dividend on

the same terms, at the same or equivalent rate upon each share of the Series C Stock then outstanding so that all outstanding shares of Series C Stock will participate in such dividend ratably with such shares of such other series of Preferred Stock (based on the number of shares of Common Stock into which each share Series C Stock and each share of such other series of Preferred Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of such other series of Preferred Stock as compared with the Series C Stock then outstanding).

(b) Series B Stock. Following payment in full of required dividends to the holders of Series C Stock in accordance with Section A.3(a) above, the holders of shares of the Series B Stock shall be entitled to receive dividends at the rate of 8% of the Series B Original Purchase Price (as defined in Section A.8 hereof) per annum, compounding annually, and which will accrue on a quarterly basis commencing on the applicable date of issuance of each of such shares of Series B Stock. The holders of Series B Stock shall be entitled to receive dividends prior in right to the payment of dividends and other distributions (whether in cash, property or securities of the Corporation, including subscription or other rights to acquire securities of the Corporation) on the Series A Stock and Common Stock. Dividends hereunder shall be payable in cash, when, as and if declared or paid by the Board of Directors and, as accrued, on any Liquidation (as defined in Section A.4(b) hereof) or Event of Sale (as defined in Section A.4(h) hereof), or upon any Redemption Date (as defined in Section A.5(c) hereof). Dividends hereunder shall be payable in shares of Common Stock (calculated based upon the then effective Series B Conversion Price), as accrued, upon the conversion of the Series B Stock into Common Stock. Whenever any dividend may be declared or paid on any shares of Series B Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series B Stock then outstanding, so that all outstanding shares of Series B Stock will participate equally with each other and ratably per share (calculated as provided in Section A.3(d) hereof). Whenever any dividend, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series B Stock then outstanding so that all outstanding shares of Series B Stock will participate in such dividend ratably with such shares of Common Stock (calculated as provided in Section A.3(d) hereof); or (ii) any shares of Series A Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same or equivalent rate upon each share of the Series B Stock then outstanding so that all outstanding shares of Series B Stock will participate in such dividend ratably with such shares of Series A Stock (based on the number of shares of Common Stock into which each share of Series B Stock and each share of Series A Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of Series A Stock as compared with the Series B Stock then outstanding).

(c) Series A Stock. Following payment in full of required dividends to the holders of Series C Stock and Series B Stock in accordance with Sections A.3(a) and (b) above, the holders of shares of the Series A Stock shall be entitled to receive, when, if and as declared by the Board of Directors, dividends on any shares of Series A Stock, out of funds legally available for that purpose, at a rate to be determined by the Board of Directors if and when they may so declare any dividend on the Series A Stock.

(d) In connection with any dividend declared or paid hereunder, each share of Existing Preferred Stock shall be deemed to be that number of shares (including fractional shares) of Common Stock into which it is then convertible, rounded up to the nearest one-tenth of a share. No fractional shares of capital stock shall be issued as a dividend hereunder. The Corporation shall pay a cash adjustment for any such fractional interest in an amount equal to the fair market value thereof on the last Business Day (as defined in Section A.8 hereof) immediately preceding the date for payment of dividends as determined by the Board of Directors in good faith.

4. Liquidation Rights.

(a) With respect to rights on Liquidation (as defined in Section A.4(b) hereof): (i) the shares of Series C Stock shall rank equally with each other and senior and prior to the shares of Series B Stock, Series A Stock and the Common Stock and to all other classes or series of stock issued by the Corporation, except as otherwise approved by the affirmative vote or consent of the Existing Senior Majority; (ii) the shares of Series B Stock shall rank equally with each other and senior and prior to the shares of Series A Stock and the shares of Common Stock and to all other junior classes or series of stock issued by the Corporation, and junior to the Series C Stock; and (iii) the

Series A Stock shall rank senior and prior to the Corporation' s Common Stock and to all other junior classes or series of stock issued by the Corporation, and junior to the Existing Senior Preferred Stock.

(b) In the event of any liquidation, dissolution or winding-up of the affairs of the Corporation (collectively, a "Liquidation"): (i) the holders of shares of Series C Stock then outstanding (the "Series C Stockholders") shall be entitled to receive out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the holders of Series B Stock then outstanding (the "Series B Stockholders"), the holders of Series A Stock then outstanding (the "Series A Stockholders," and collectively with the Series C Stockholders and the Series B Stockholders, the "Existing Preferred Stockholders"), or the holders of Common Stock or any other class or series of stock ranking on Liquidation junior to such Series C Stock, an amount per share equal to the Series C Original Purchase Price (as defined in Section A.8 hereof), plus an amount equal to any declared or accrued but unpaid dividends thereon, calculated pursuant to Section A.3(a) hereof; (ii) after the distribution to the Series C Stockholders of the full amount to which they are entitled to receive pursuant to this Section A.4(b), the Series B Stockholders shall be entitled to receive out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the Series A Stockholders or the holders of Common Stock or any other class or series of stock ranking on Liquidation junior to such Series B Stock, an amount per share equal to the Series B Original Purchase Price (as defined in Section A.8 hereof), plus an amount equal to any declared or accrued but unpaid dividends thereon, calculated pursuant to Section A.3(b) hereof; and (iii) after the distribution to the Series B Stockholders of the full amount to which they are entitled to receive pursuant to this Section A.4(b), the Series A Stockholders shall be entitled to receive out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the holders of Common Stock or any other class or series of stock ranking on Liquidation junior to such Series A Stock, an amount per share equal to the Series A Original Purchase Price (as defined in Section A.8 hereof), plus an amount equal to any declared but unpaid dividends thereon, calculated pursuant to Section A.3(c) hereof. Notwithstanding the foregoing or anything else expressed or implied herein, the transactions contemplated by that certain Agreement and Plan of Merger dated as of April 25, 2011 by and among the Corporation, MPM Acquisition Corp. and RHI Merger Corp. (the "Merger Agreement") shall not be a "Liquidation" for purposes of this Certificate.

(c) If, upon any Liquidation the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series C Stockholders the full amount to which each of

them shall be entitled pursuant to Section A.4(b) above, then the Series C Stockholders shall share ratably in any distribution of assets according to the respective amounts which would be payable to them in respect of the shares of Series C Stock held upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(d) If, upon any Liquidation the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series B Stockholders the full amount to which each of them shall be entitled pursuant to Section A.4(b) above, then after payment to the Series C Stockholders of the full amount to which such stockholders are entitled pursuant to Section A.4(b) above, the Series B Stockholders shall share ratably in any remaining distribution of assets according to the respective amounts which would be payable to them in respect of the shares of Series B Stock held upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(e) If, upon any Liquidation the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series A Stockholders the full amount to which each of them shall be entitled pursuant to Section A.4(b) above, then after payment to the Series C Stockholders and Series B Stockholders of the full amount to which such stockholders are entitled pursuant to Section A.4(b) above, the Series A Stockholders shall share ratably in any remaining distribution of assets according to the respective amounts which would be payable to them in respect of the shares of Series A Stock held upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(f) In the event of any Liquidation, after payment shall have been made to the Existing Preferred Stockholders of the full amount to which they shall be entitled pursuant to Section A.4(b), the holders of each other class or series of capital stock (other than

Common Stock) ranking on Liquidation junior to such Series C Stock, Series B Stock and Series A Stock (in descending order of seniority), but senior to the Common Stock, as a class, shall be entitled to receive an amount equal (and in like kind) to the aggregate preferential amount fixed for each such junior class or series of capital stock. If, upon any Liquidation prior to the Initial Closing of the Qualified Financing, after payment shall have been made to the Existing Preferred Stockholders of the full amount to which they shall be entitled pursuant to Section A.4(b), the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay a class or series of capital stock (other than the Common Stock) junior to the Series C Stock, Series B Stock and Series A Stock the full amount to which they shall be entitled pursuant to the preceding sentence, the holders of such other class or series of capital stock shall share ratably, based upon the number of then outstanding shares of such other class or series of capital stock, in any remaining distribution of assets according to the respective preferential amounts fixed for such junior class or series of capital stock or which would be payable to them in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(g) In the event of any Liquidation prior, after payments shall have been made first to the Existing Preferred Stockholders and then to the holders of each junior class or series of capital stock (other than Common Stock) which is junior to the Series C Stock, Series B Stock and the Series A Stock but senior to the Common Stock, of the full amount to which they each shall be entitled as aforesaid, the holders of Common Stock, as a class, shall be entitled to share ratably with the Series C Stockholders and Series B Stockholders (calculated with respect to such Series C Stock and Series B Stock as provided in the last sentence in this Section A.4(g)) in all remaining assets of the Corporation legally available for distribution to its stockholders. For purposes of calculating the amount of any payment to be paid upon any such Liquidation pursuant to the participation feature described in this Section A.4(g), each share of such Existing Senior Preferred Stock shall be deemed to be that number of shares (including fractional shares and any shares attributable to the payment of accrued and unpaid

dividends upon conversion of such Preferred Stock pursuant to Section A.7(b)) of Common Stock into which it is then convertible, rounded to the nearest one-tenth of a share.

(h) (i) In the event of and simultaneously with the closing of an Event of Sale (as hereinafter defined), the Corporation shall, unless waived by the Existing Senior Majority or otherwise prevented by law, redeem all of the shares of Series C Stock, Series B Stock and Series A Stock then outstanding for a cash amount per share determined as set forth below in this Section A.4(h) hereof (the "Special Liquidation Price," said redemption being referred to herein as a "Special Liquidation"). In the event the Event of Sale involves consideration that does not consist of cash, then the Special Liquidation Price may be paid with such consideration having a value equal to the Special Liquidation Price. To the extent there is any cash consideration in connection with an Event of Sale, at the option of the holders of a majority of the Series C Stock, the cash consideration will first (i) be applied to satisfy the Special Liquidation Price payable to the Series C Stockholders (in relative proportion to the full liquidation preference the Series C Stockholders would have received had there been sufficient cash consideration to have paid their liquidation preference in full); then (ii) be applied to satisfy the Special Liquidation Price payable to the holders of Series B Stock (in relative proportion to the full liquidation preference the Series B Stockholders would have received had there been sufficient cash consideration to have paid their liquidation preference in full), prior to the payment thereof to any other stockholders of the Corporation; and (iii) then be applied to satisfy the Special Liquidation Price payable to the holders of Series A Stock (in relative proportion to the full liquidation preference the Series A Stockholders would have received had there been sufficient cash consideration to have paid their liquidation preference in full), prior to the payment thereof to any other stockholders of the Corporation. For all purposes of this Section A.4(h), the Special Liquidation Price shall be equal to that amount per share which would be received by each Existing Preferred Stockholder if, in connection with an Event of Sale, all the consideration paid in exchange for the assets or the shares of capital stock (as the case may be) of the Corporation were actually paid to and received by the Corporation and the Corporation were immediately thereafter liquidated and its assets distributed pursuant to Sections A.4(a) through (h) hereof. To the extent that one or more redemptions (as described in Section A.5 hereof) and/or Special Liquidations are occurring concurrently, the Special Liquidation under this Section A.4(h) shall be deemed to occur first. The date upon which the Special Liquidation shall occur is sometimes referred to herein as the "Special Liquidation Date".

(ii) In the absence of an applicable waiver pursuant to Section A.4(h)(i) above, at any time on or after the Special Liquidation Date, an Exisiting Preferred Stockholder shall be entitled to receive the Special Liquidation Price for each such share of

Series C Stock, Series B Stock or Series A Stock owned by such holder. Subject to the provisions of Section A.4(h)(iii) hereof, payment of the Special Liquidation Price will be made to each such holder upon actual delivery to the Corporation or its transfer agent of the certificate of such holder representing such shares of Series A Stock, Series B Stock or Series C Stock, as the case may be, or an affidavit of loss as to the same.

(iii) If on the Special Liquidation Date less than all the shares of either Series C Stock, Series B Stock or Series A Stock then outstanding may be legally redeemed by the Corporation, the Special Liquidation shall be made first as to the Series C Stock pro rata with respect to such Series C Stock based upon the number of outstanding shares of Series C Stock then owned by each such holder thereof until such holders are satisfied in full, then to the holders of the Series B Stock pro rata with respect to such Series B Stock based upon the number of outstanding shares of Series B Stock then owned by each holder thereof, and then to the holders of the Series A Stock pro rata with respect to such Series A Stock based upon the number of outstanding shares of Series A Stock then owned by each holder thereof.

(iv) On and after any Special Liquidation Date, all rights in respect of the shares of Existing Preferred Stock to be redeemed shall cease and terminate except the right to receive the applicable Special Liquidation Price as provided herein, and such shares of Existing Preferred Stock shall

no longer be deemed to be outstanding, whether or not the certificates representing such shares of Existing Preferred Stock have been received by the Corporation; provided, however, that, if the Corporation defaults in the payment of the Special Liquidation Price with respect to any Existing Preferred Stock, the rights of the holder(s) thereof with respect to such shares of Existing Preferred Stock shall continue until the Corporation cures such default.

(v) Anything contained herein to the contrary notwithstanding, all or any of the provisions of this Section A.4(h) may be waived by the Existing Senior Majority, by delivery of written notice of waiver to the Corporation prior to the closing of any Event of Sale.

(vi) Any notice required to be given to the holders of shares of Preferred Stock pursuant to Section A.7(g) hereof in connection with an Event of Sale shall include a statement by the Corporation of (A) the Special Liquidation Price which each Preferred Stockholder shall be entitled to receive upon the occurrence of a Special Liquidation under this Section A.4(h) and (B) the extent to which the Corporation will, if at all, be legally prohibited from paying each holder of Preferred Stock the Special Liquidation Price.

(vii) For purposes of this Section A.4(h), an "Event of Sale" shall mean: (A) the sale by the stockholders of voting control of the Corporation, (B) the merger, consolidation or reorganization with or into any other corporation, entity or person or any other corporate reorganization, in which (I) the capital stock of the Corporation immediately prior to such merger, consolidation or reorganization represents less than 50% of the voting power of the surviving entity (or, if the surviving entity is a wholly owned subsidiary, its parent) immediately after such merger, consolidation or reorganization or (II) the surviving entity (or, if the surviving entity is a wholly owned subsidiary, its parent) has a class of securities that is (or has been within 90 days prior to such transaction) tradeable on any public market or exchange or (C) the sale, exclusive license or other disposition of all or substantially all of the assets or intellectual property of the Corporation in a single transaction or series of related transactions. Notwithstanding the foregoing or anything else expressed or implied herein, the transactions contemplated by the Merger Agreement shall not be an "Event of Sale" for purposes of this Certificate.

5. Redemption.

(a) At the request of the Existing Senior Majority (the "Requesting Holders") made at any time on or after December 15, 2011, the Corporation shall redeem on the Redemption Date, unless otherwise prevented by law, at a redemption price per share equal to the Series C Original Purchase Price for each share of Series C Stock and Series B Original Purchase Price for each share of Series B Stock, plus in each case an amount equal to any declared or accrued but unpaid dividends thereon, all of the Existing Senior Preferred Stock

outstanding at the time that such request is made. The total sum payable per share of Existing Senior Preferred Stock on the Redemption Date is hereinafter referred to as the "Redemption Price," and the payment to be made on the Redemption Date is hereinafter referred to as the "Redemption Payment." Notwithstanding any limitations specified in this Section A.5, in the event that the Corporation at any time breaches any of the provisions in the this Certificate or any of its representations, warranties, covenants and/or agreements set forth in (i) that certain Stockholders' Agreement among the Corporation and the parties set forth therein (as amended, the "Stockholders' Agreement") or that certain Series C Convertible Redeemable Preferred Stock Purchase Agreement among the Corporation and the signatories thereto (the "Stock Purchase Agreement"), each as entered into contemporaneously with the filing of the Prior Certificate, or (ii) that certain Series B Convertible Redeemable Preferred Stock Purchase Agreement dated as of November 14, 2003 among the Corporation and the signatories thereto (as amended, the "Series B Stock Purchase Agreement"), then upon any such breach the Senior Majority may elect, at their sole discretion, if any such breach is not cured by the 60th day after receipt by the Corporation of notice of such breach from a holder, to accelerate the maturity of

the rights of all of the holders under this Section A.5(a) and cause the immediate redemption of all of the shares of Existing Senior Preferred Stock held by them (less any shares that the Corporation is prevented by law from redeeming, which shall be redeemed by the Corporation as soon as permitted under law). With respect to a breach of which the Corporation is aware or reasonably should be aware, such 60 day period within which the Corporation shall have the right to cure such breach shall be deemed to have commenced on the tenth day after the occurrence of such breach, irrespective of notice of such breach from any holder, if the Corporation shall not have notified the holders of such breach by such date.

(b) On and after the Redemption Date, all rights of any Requesting Holder with respect to those shares of Existing Senior Preferred Stock being redeemed by the Corporation pursuant to Section A.5(a), except the right to receive the applicable Redemption Price per share, shall cease and terminate, and such shares of Existing Senior Preferred Stock shall no longer be deemed to be outstanding, whether or not the certificates representing such shares have been received by the Corporation; provided, however, that, notwithstanding anything to the contrary set forth herein, (A) if the Corporation defaults in the payment of the Redemption Payment, the rights of the Requesting Holder with respect to its shares of Existing Senior Preferred Stock shall continue until the Corporation cures such default, and (B) without limiting any other rights of a Requesting Holder, upon the occurrence of a subsequent Liquidation, with respect to the shares of Existing Senior Preferred Stock in respect of which no Redemption Payment has been received by a Requesting Holder, such Requesting Holder shall be accorded the rights and benefits set forth in Section A.4 hereof in respect of such remaining shares, as if no prior redemption request had been made.

(c) If the Requesting Holders elect to exercise redemption rights hereunder, such Requesting Holders shall send notice of such election (the "Redemption Notice") by first-class, certified mail, return receipt requested, postage prepaid, to the Corporation at its principal place of business or to any transfer agent of the Corporation. Within five (5) Business Days after receipt of the Redemption Notice, the Corporation shall notify in writing all other Existing Senior Preferred Stockholders of the request by a Requesting Holder for the redemption of Existing Senior Preferred Stock (the "Corporation Notice"). On the twentieth (20th) Business Day following the date upon which the Corporation received the Redemption Notice, the Corporation shall pay each holder of Existing Senior Preferred Stock the applicable Redemption Price pursuant to the terms of Section A.5(a), provided that the Corporation or its transfer agent has received the certificate(s) representing the shares of Existing Senior Preferred Stock to be redeemed. Such payment date shall be referred to herein as the "Redemption Date." If, on the Redemption Date, less than all the shares of Existing Senior Preferred Stock may be legally redeemed by the Corporation, the redemption of Existing Senior Preferred Stock shall be pro rata according to the respective amounts which would be payable to the Existing Senior Preferred Stockholders in respect of their shares of Existing Senior Preferred Stock if the Redemption Price were paid in full for all such shares, and any shares of Existing Senior Preferred Stock not redeemed shall be redeemed on the first date following such Redemption Date on which the Corporation may lawfully redeem such shares (pro rata according to the respective amounts which would be payable to the Existing Senior Preferred Stockholders in respect of the remaining shares of Existing Senior Preferred Stock if the Redemption Price were paid in full for all such shares). The Corporation shall redeem (to the extent permitted by law) the shares of Existing Senior Preferred Stock on the Redemption Date and the Corporation shall promptly advise each holder of Existing Senior Preferred Stock of the Redemption Date or of the relevant facts applicable thereto preventing such redemption. Upon redemption of only a portion of the number of shares covered by a Existing Senior Preferred Stock certificate, the Corporation shall issue and deliver to or upon the written order of the holder of such Existing Senior Preferred Stock certificate, at the expense of the Corporation, a new certificate covering the number of shares

of the Existing Senior Preferred Stock representing the unredeemed portion of the Existing Senior Preferred Stock certificate, which new certificate shall entitle the holder thereof to all the rights, powers and privileges of a holder of such shares.

(d) Shares of the Existing Senior Preferred Stock are not subject to or entitled to the benefit of any sinking fund.

6. Voting.

(a) Subject to any separate voting rights provided for herein or otherwise required by law, for so long as Existing Senior Preferred Stock remains outstanding, the holders of Existing Preferred Stock shall be entitled to vote, together with the holders of Common Stock as one class, on all matters as to which holders of Common Stock shall be entitled to vote, in the same manner and with the same effect as such holders of Common Stock. In any such vote, each share of Existing Preferred Stock shall entitle the holder thereof to the number of votes per share that equals the number of shares of Common Stock (including fractional shares) into which each such share of Preferred Stock is then convertible, rounded up to the nearest one-tenth of a share, but not including any shares of Common Stock issuable upon conversion of any dividends accrued on such Existing Preferred Stock.

(b) In addition to the rights specified in Section A.6(a), for so long as any shares of Existing Senior Preferred Stock are outstanding, the holders of the Existing Senior Preferred Stock, voting as a separate class, shall have the right to elect six (6) members of the Board of Directors of the Corporation (such directors, the "Existing Preferred Directors"). In any election of Existing Preferred Directors pursuant to this Section A.6(b), each holder of Existing Senior Preferred Stock shall be entitled to one vote for each share of Common Stock (including fractional shares) into which each such share of Existing Senior Preferred Stock is then convertible, rounded up to the nearest one-tenth of a share (determined as set forth in the second sentence of Section A.6(a) hereof), and no holder of Existing Senior Preferred Stock shall be entitled to cumulate its votes by giving one candidate more than one vote per share. The voting right of the holders of Existing Senior Preferred Stock, contained in this Section A.6(b), may be exercised at a special meeting of the holders of Existing Senior Preferred Stock called as provided in accordance with the by-laws of the Corporation, at any annual or special meeting of the stockholders of the Corporation, or by written consent of such holders of Existing Senior Preferred Stock in lieu of a meeting. The Existing Preferred Directors elected pursuant to this Section A.6(b) shall serve from the date of their election and qualification until their successors have been duly elected and qualified.

(c) A vacancy in the directorships elected by the holders of Existing Senior Preferred Stock pursuant to Section A.6(b), may be filled by a vote at a meeting called in accordance with the by-laws of the Corporation or written consent in lieu of such meeting of the holders of such Existing Senior Preferred Stock.

(d) For so long as Existing Preferred Stock remains outstanding, the holders of capital stock of the Corporation, voting as a single class, shall elect the remaining member or members of the Board of Directors of the Corporation. In any election of directors pursuant to this Section A.6(d), each stockholder shall be entitled to one vote for each share of Common Stock held or, if Existing Preferred Stock, into which each such share of Existing Preferred Stock is then convertible (determined in accordance with Section A.6(a) hereof), and no stockholder shall be entitled to cumulate its votes by giving one candidate more than one vote per share. The voting right of the stockholders contained in this Section A.6(d) apply only so long as shares of Existing Preferred Stock remains and outstanding and may be exercised at a special meeting of the stockholders called as provided in accordance with the by-laws of the Corporation, at any annual or special meeting of the stockholders of the Corporation, or by written consent of the stockholder in lieu of a meeting. The director or directors elected pursuant to this Section A.6(d) shall serve from the date of their election and qualification until their successors have been duly elected and qualified.

(e) A vacancy in the directorship or directorships elected by the stockholders pursuant to Section A.6(d), may be filled by a vote at a meeting called in accordance with the by-laws of the Corporation or written consent in lieu of such meeting of the stockholders of the Corporation.

(f) For so long as shares of Existing Preferred Stock are outstanding, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of the Existing Senior Majority, acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation ("Notice") shall have been given to each holder of such Existing Senior Preferred Stock, do the following:

(i) sell, abandon, transfer, lease or otherwise dispose of all or substantially all of its or any subsidiary' s properties or assets;

(ii) sell, abandon, transfer, exclusively license or otherwise dispose of or encumber any of its material intellectual property;

(iii) purchase, lease or otherwise acquire all or substantially all of the assets of another entity or acquire the securities of any other entity;

(iv) except as otherwise required by this Certificate or as contemplated in the Series A-1 Purchase Agreement, alter the rights, preferences or privileges of or reclassify any of its or its subsidiaries' securities or declare or pay any dividend or make any distribution with respect to shares of its capital stock (whether in cash, shares of capital stock or other securities or property);

(v) except as otherwise required by this Certificate or as contemplated in the Series A-1 Purchase Agreement, make any payment on account of the purchase, redemption, or other retirement of any share of capital stock of the Corporation or any subsidiary, or distribute to holders of Series B Stock, Series A Stock or Common Stock shares of the Corporation' s capital stock (other than Common Stock in connection with a stock split by way of stock dividend) or other securities of other entities, evidences of indebtedness issued by the Corporation or other entities, or other assets or options or rights other than the repurchase of shares of Common Stock issued pursuant to the Corporation' s 2003 Long-Term Incentive Plan, as amended, for employees or consultants;

(vi) except as contemplated by the Merger Agreement (as defined herein) merge, consolidate or reorganize with or into, or permit any subsidiary to merge, consolidate or reorganize with or into, any other corporation or corporations or other entity or entities;

(vii) voluntarily dissolve, liquidate or wind-up or carry out any partial liquidation or distribution or transaction in the nature of a partial liquidation or distribution;

(viii) except as otherwise required by this Certificate or as contemplated in the Series A-1 Purchase Agreement, in any manner alter or change the designations, powers, preferences, rights, qualifications, limitations or restrictions of the Series C Stock or Series B Stock;

(ix) take any action to cause any amendment, alteration or repeal of any of the provisions of this Certificate or the by-laws of the Corporation or the organizational documents of the Corporation' s subsidiaries if any;

(x) except as otherwise required by this Certificate or as contemplated in the Series A-1 Purchase Agreement and except for the issuance of capital stock or other securities constituting shares of Excluded Stock (as defined in Section A.7(e)(ii) below), authorize, designate, create, increase or decrease the authorized number of, reclassify, or issue or agree to issue any equity or debt security of the Corporation or any subsidiary or any security, right, option or warrant convertible into, or exercisable or exchangeable for, shares of the capital stock of the Corporation or any capitalized lease with an equity feature with respect to the capital stock of the Corporation;

(xi) adopt, approve, amend or modify any stock option plan of the Corporation or adopt, approve amend or modify the form of any stock option agreement or restricted stock purchase agreement, or amend or modify any stock option agreement or restricted stock

purchase agreement entered into between the Corporation and its employees, directors or consultants except for immaterial changes made thereto from time to time by officers of the Corporation;

(xii) accelerate the vesting schedule or exercise date or dates of any such options or in any stock option agreement or restricted stock purchase agreement entered into between the Corporation and its directors, officers, employees, consultants or independent contractors, or waive or modify the Corporation' s repurchase rights with respect to any shares of the Corporation' s stock issuable pursuant to any restricted stock purchase agreement entered into between the Corporation and its directors, officers, employees, consultants or independent contractors;

(xiii) grant any stock options with an exercise price per share that is less than the fair market value of such share on the date of such grant (as determined by the Board of Directors of the Corporation) or issue or sell capital stock of the Corporation pursuant to restricted stock awards or restricted stock purchase agreements at a price per share less than the fair market value of such share on the date of such issuance or sale (as determined by the Board of Directors of the Corporation);

(xiv) increase the number of shares of Common Stock authorized for issuance under the Corporation' s 2003 Long-Term Incentive Plan, as amended;

(xv) except as otherwise required by this Certificate or as contemplated in the Series A-1 Purchase Agreement, increase or decrease the authorized number of the members of the Board of Directors;

(xvi) participate or allow any subsidiary to participate in any business other than which it is engaged as of the date of this Certificate or subsequent to the date of this Certificate as approved by the Board of Directors; or

(xvii) incur any indebtedness by the Corporation or any subsidiary above and beyond the amounts set forth herein, in the Series A-1 Purchaser Agreement or in the Stockholders' Agreement.

The foregoing approval shall be obtained in addition to any approval required by law.

(g) The Corporation shall obtain the consent of the Board of Directors before it may authorize or issue any additional shares of capital stock of the Corporation, other than the issuance of any shares of New Preferred Stock as contemplated by this Certificate or the Series A-1 Purchase Agreement, or any of its subsidiaries.

7. Conversion.

(a) Any Existing Preferred Stockholder shall have the right, at any time or from time to time, to convert any or all of its shares of Existing Preferred Stock into that number of fully paid and nonassessable shares of Common Stock for each share of Existing Preferred Stock so converted equal to the quotient of the Series A Original Purchase Price, Series B Original Purchase Price or Series C Original Purchase Price, as applicable, for such share divided by the Series A Conversion Price, the Series B Conversion Price or the Series C Conversion Price (each as defined in Section A.7(e) hereof), as applicable, for such share of Existing Preferred Stock, as last adjusted and then in effect, rounded up to the nearest one-tenth of a share; provided, however, that cash shall be paid in lieu of the issuance of fractional shares of Common Stock, as provided in Section A.7(d) hereof.

(b) (i) Any Existing Preferred Stockholder who exercises the right to convert shares of Existing Preferred Stock into shares of Common Stock, pursuant to this Section A.7 shall be entitled to payment of all accrued dividends, whether or not declared and all declared but unpaid dividends payable with respect to such Existing Preferred Stock pursuant to Section A.3 herein, up to and including the Conversion Date (as defined in Section A.7(b)(iii) hereof).

(ii) Any Existing Preferred Stockholder may exercise the right to convert such shares into Common Stock pursuant to this Section A.7 by delivering to the Corporation during regular business hours, at the office of the Corporation or any transfer agent of the Corporation or at such other place as may be designated by the Corporation, the certificate or certificates for the shares to be converted (the "Existing Preferred Certificate"), duly endorsed or assigned in blank to the Corporation (if required by it) or an affidavit of loss as to the same.

(iii) Each Existing Preferred Certificate shall be accompanied by written notice stating that such holder elects to convert such shares and stating the name or names (with address) in which the certificate or certificates for the shares of Common Stock (the "Common Certificate") are to be issued. Such conversion shall be deemed to have been effected on the date when such delivery is made, and such date is referred to herein as the "Conversion Date."

(iv) As promptly as practicable thereafter, the Corporation shall issue and deliver to or upon the written order of such holder, at the place designated by such holder, (A) a Common Certificate for the number of full shares of Common Stock to which such holder is entitled and (B) a check or cash in respect of any fractional interest in shares of Common Stock to which such holder is entitled, as provided in Section A.7(d) hereof, payable with respect to the shares so converted up to and including the Conversion Date.

(v) The person in whose name the Common Certificate or Certificates are to be issued shall be deemed to have become a holder of record of Common Stock on the applicable Conversion Date, unless the transfer books of the Corporation are closed on such Conversion Date, in which event the holder shall be deemed to have become the stockholder of record on the next succeeding date on which the transfer books are open, provided that the Series A Conversion Price, Series B Conversion Price or Series C Conversion Price, as applicable, upon which the conversion shall be executed shall be that in effect on the Conversion Date.

(vi) Upon conversion of only a portion of the number of shares covered by an Existing Preferred Certificate, the Corporation shall issue and deliver to or upon the written order of the holder of such Existing Preferred Certificate, at the expense of the Corporation, a new certificate covering the number of shares of Existing Preferred Stock representing the unconverted portion of the Existing Preferred Certificate, which new certificate shall entitle the holder thereof to all the rights, powers and privileges of a holder of such Existing Preferred Stock.

(c) If an Existing Preferred Stockholder shall surrender more than one share of the same class of Existing Preferred Stock for conversion at any one time, then the number of full shares of Common Stock issuable upon conversion thereof shall be computed on the basis of the aggregate number of shares of Existing Preferred Stock so surrendered.

(d) No fractional shares of Common Stock shall be issued upon conversion of Existing Preferred Stock. The Corporation shall instead pay a cash adjustment for any such fractional interest in an amount equal to the Current Market Price thereof on the Conversion Date, as determined in accordance with Section A.7(e)(vii) hereof.

(e) For all purposes of this Article III, Part A, the initial conversion price of the Series A Stock shall be the Series A Original Purchase Price, the initial conversion price of the Series B Stock shall be the Series B Original Purchase Price and the initial conversion price of the Series C Stock shall be the Series C Original Purchase Price, in each case subject to adjustment from time to time as follows (the conversion price of any or each of the Series A Stock, Series B Stock and the Series C Stock, as adjusted from time to time, is sometimes referred to generically in this Section A.7 as the "Conversion Price"):

(i) Subject to Section A.7(e)(ii) and A.7(e)(x) below, if the Corporation shall, at any time or from time to time after the Effective Time, issue or sell any shares of Common Stock (which term, for purposes of this Section A.7(e)(i), including all subsections thereof, shall be deemed to include all other securities convertible into, or exchangeable or exercisable for, shares of Common Stock (including, but not limited to, Existing Preferred Stock) or options to purchase or other rights to subscribe for such convertible or exchangeable securities, in each case other than Excluded Stock (as defined in Section A.7(e)(ii) below), for a consideration per share less than the Series C Conversion Price in effect immediately prior to the issuance of such Common Stock or other securities (a "Dilutive

Issuance"), then (X) the Conversion Price for the Series A Stock (the "Series A Conversion Price") in effect immediately prior to each such Dilutive Issuance shall automatically be reduced to a price equal to the product obtained by multiplying such Series A Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Existing Preferred Stock, upon exercise of outstanding stock options and warrants or otherwise under Section A.7(e)(i)(d)) plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for the additional stock so issued would purchase at such Series C Conversion Price as in effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Existing Preferred Stock, upon exercise of outstanding stock options or otherwise under Section A.7(e)(i)(d)) plus the number of shares of additional stock so issued, (Y) the Conversion Price for the Series B Stock (the "Series B Conversion Price") in effect immediately prior to each such Dilutive Issuance shall automatically be reduced to a price equal to the product obtained by multiplying such Series B Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Existing Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Existing Preferred Stock) plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for the additional stock so issued would purchase at such Series C Conversion Price as in effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Existing Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of

additional stock so issued, and (Z) the Conversion Price for the Series C Stock (the "Series C Conversion Price") in effect immediately prior to each such Dilutive Issuance shall automatically be reduced to a price equal to the product obtained by multiplying such Series C Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Existing Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Existing Preferred Stock) plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for the additional stock so issued would purchase at such Series C Conversion Price as in effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Existing Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Existing Preferred Stock) plus the number of shares of additional stock so issued. For purposes of this Section A.7(e)(i), the number of shares of Common Stock deemed issuable upon conversion of such outstanding shares of Existing Preferred Stock shall be determined without giving effect to any adjustments to the applicable Conversion Price resulting from the Dilutive Issuance that is the subject of this calculation. For the purposes of any adjustment of the Conversion Price pursuant to this Section A.7(e)(i), the following provisions shall be applicable.

a. In the case of the issuance of Common Stock in whole or in part for cash, the consideration shall be deemed to be the amount of cash paid therefor after deducting therefrom any discounts, commissions or other expenses allowed, paid or incurred by the Corporation for any underwriting or otherwise in connection with the issuance and sale thereof, plus the value of any property other than cash received by the Corporation, determined as provided in Section A.7(e)(i)(b) hereof, plus the value of any other consideration received by the Corporation determined as set forth in Section A.7(e)(i)(c) hereof.

b. In the case of the issuance of Common Stock for a consideration in whole or in part in property other than cash, the value of such property other than cash shall be deemed to be the fair market value of such property as determined in good faith by the Board of Directors, irrespective of any accounting treatment; provided, however, that such fair market value of such property as determined by the Board of Directors shall not exceed the aggregate Current Market Price (as defined in Section A.7(e)(viii) hereof) of the shares of Common Stock or such other securities being issued, less any cash consideration paid for such shares, determined as provided in Section A.7(e)(i)(a) hereof and less any other consideration received by the Corporation for such shares, determined as set forth in Section A.7(e)(i)(c) hereof.

c. In the case of the issuance of Common Stock for consideration in whole or in part other than cash or property, the value of such other consideration shall be deemed to be the aggregate par value of such Common Stock (or the aggregate stated value if such Common Stock has no par value).

d. In the case of the issuance of options or other rights to purchase or subscribe for Common Stock or the issuance of securities by their terms convertible into or exchangeable or exercisable for Common Stock or options to purchase or other rights to subscribe for such convertible or exchangeable or exercisable securities:

i. the aggregate maximum number of shares of Common Stock deliverable upon exercise of such options to purchase or rights to subscribe for Common Stock shall be deemed to have been issued at the time such options or rights were issued and for a consideration equal to the consideration (determined in the manner provided in Sections A.7(e)(i)(a), (b)

and (c) hereof), if any, received by the Corporation upon the issuance of such options or rights plus the minimum purchase price provided in such options or rights for the Common Stock covered thereby (the consideration in each case to be determined in the manner provided in Sections A.7(e)(i)(a), (b) and (c) hereof);

ii. the aggregate maximum number of shares of Common Stock deliverable upon conversion of, or in exchange for, any such convertible or exchangeable securities or upon the exercise of options to purchase or rights to subscribe for such convertible or exchangeable securities and subsequent conversion or exchange thereof shall be deemed to have been issued at the time such securities were issued or such options or rights were issued and for a consideration equal to the consideration received by the Corporation for any such securities and related options or rights (excluding any cash received on account of accrued interest or accrued dividends), plus the minimum additional consideration, if any, to be received by the Corporation upon the conversion or exchange of such securities or the exercise of any related options or rights (the consideration in each case to be determined in the manner provided in Sections A.7(e)(i)(a), (b) and (c) hereof);

iii. if there is any change (whether automatic pursuant to the terms contained therein or as a result of the amendment of such terms) in the exercise price of, or number of shares deliverable upon exercise of, any such options or rights or upon the conversion or exchange of any such convertible or exchangeable securities (other than a change resulting from the original antidilution provisions thereof in place at the time of issuance of such security), then the applicable Conversion Price shall automatically be readjusted in proportion to such change (notwithstanding the foregoing, no adjustment pursuant to this clause shall have the effect of increasing the applicable Conversion Price to an amount which exceeds the lower of (i) the applicable Conversion Price on the original adjustment date, or (ii) the applicable Conversion Price that would have resulted from any Dilutive Issuances between the original adjustment date and such readjustment date);

iv. upon the expiration of any such options or rights or the termination of any such rights to convert or exchange such convertible or exchangeable securities (or in the event that the change that precipitated an adjustment pursuant to Section A.7(e)(i)(d)(iii) hereof is reversed or terminated, or expires), then the applicable Conversion Price shall be automatically readjusted to the applicable Conversion Price that would have been obtained had such options, rights or convertible or exchangeable securities not been issued; and

v. if the terms of any option or convertible security (excluding options or convertible securities which, upon exercise, conversion or exchange thereof, would entitle the holder thereof to receive shares of Common Stock which are Excluded Stock), the issuance of which was not a Dilutive Issuance, are revised after the Original Issuance Date (either automatically pursuant the provisions contained therein or as a result of an amendment to such terms) to provide for either (1) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such option or convertible security or (2) any decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such option or convertible

security, as so amended, and the shares of Common Stock subject thereto shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(ii) "Excluded Stock" shall mean:

a. Common Stock issued upon conversion of any shares of Existing Preferred Stock, including any shares of Common Stock issuable upon conversion of any dividends accrued on such Existing Preferred Stock;

b. Common Stock issued or issuable to officers, directors or employees of or consultants or independent contractors to the Corporation, pursuant to any written agreement, plan or arrangement to purchase, or rights to subscribe for, such Common Stock, including Common Stock issued under the Corporation' s 2003 Long-Term Incentive Plan, as amended, or other equity incentive plan or other agreements that have been approved in form and in substance by the Existing Senior Majority, calculated in accordance with Section A.6(a) of Article III herein (including, in such calculation, any outstanding restricted stock awards held by such holders), and which, as a condition precedent to the issuance of such shares, provide for the vesting of such shares and subject such shares to restrictions on transfer and rights of first offer in favor of the Corporation, and restricted stock grants to directors, employees or consultants as approved by the Board of Directors of the Corporation; provided, however, that the maximum number of shares of Common Stock heretofore or hereafter issuable pursuant to the Corporation' s 2003 Long-Term Incentive Plan, as amended, and all such agreements, plans and arrangements shall not exceed 2,015,666 shares of Common Stock;

c. Common Stock issued as a stock dividend or distribution on the Existing Preferred Stock payable in shares of Common Stock, or capital stock of any other class issuable upon any subdivision, recombination, split-up or reverse stock split of all the outstanding shares of such class of capital stock;

d. Common Stock or other securities issued or issuable to banks, lenders or landlords, provided that each such issuance is approved by the Board of Directors, including, but not limited to, warrants to acquire Common Stock held by Silicon Valley Bank (or its affiliates, successors and assignees), warrants to purchase Preferred Stock issued or to be issued to GE Healthcare Financial Services, Inc. ("GEHFS") and Oxford Finance Corporation ("OFC") pursuant to a proposed debt financing approved by the Board of Directors (the "GE Financing"), shares of Preferred Stock issued or issuable to GE in connection with the GE Financing or upon exercise by GEHFS or OFC of warrants issued in the GE Financing and shares of common stock issuable upon conversion of any such shares of Preferred Stock issued to GEHFS or OFC pursuant to the GE Financing;

e. Common Stock or other securities issued or issuable to third parties in connection with strategic partnerships or alliances, corporate partnerships, joint ventures or other licensing transactions, provided that each such transaction and related issuance is approved by the Board of Directors, including, but not limited to, (A) any shares of Preferred Stock or Common Stock issued or issuable to Ipsen Pharma SAS ("Ipsen"), pursuant to the terms of that certain License Agreement, as amended and may be amended with the approval of the Board of Directors of the Corporation and in effect from time to time, by and between the Corporation and Ipsen as payment milestones in lieu of cash payments and (B) hares of Series A-5 Stock issued or issuable pursuant to that certain Stock Issuance Agreement as of March 29, 2011 by and between the Corporation and Nordic Bioscience and the letter agreement as of March 29, 2011 by and between the Corporation and Nordic Bioscience, pursuant to which the Corporation will issue shares of the Corporation' s Series A-5 Convertible Preferred Stock, $0.01 par value per share and the issuance of Series A-6 Stock issued or to be issued as dividends on such Series A-5 Stock, and shares of Common Stock issuable upon conversion of any such shares of Series A-5 Stock and Series A-6 Stock;

f. Common Stock or other securities issued or issuable pursuant to the acquisition by the Corporation of any other corporation, partnership, joint venture, trust or other entity by any merger, stock acquisition, reorganization, or purchase of substantially all assets or otherwise in which the Corporation or its stockholders of record immediately prior to the effective date of such transaction, directly or indirectly, own at least a majority of the voting power of the acquired entity or the resulting entity after such transaction, in each case so long as approved by the Board of Directors;

g. Common Stock or other securities, the issuance of which is approved by the Existing Senior Majority, with such approval expressly waiving the application of the anti-dilution provisions of this Section A.7 as a result of such issuance;

h. Preferred Stock (and Common Stock issuable upon conversion of such Preferred Stock) or Common Stock issued or issuable pursuant to any warrant outstanding as of the date hereof or any warrant and any shares of Preferred Stock or common stock, or common stock issued upon exercise of any Preferred Stock, issued in connection with the Qualified Financing, including, but not limited to a warrant for shares of Series A-1 Preferred Stock issued or issuable to Leerink Swan, any shares of Preferred Stock or Common Stock upon exercise thereof and any Common Stock issuable upon conversion of such Preferred Stock issued upon exercise thereof;

j. All shares of Preferred Stock issued in connection with the Qualified Financing as provided in this Certificate and the Series A-1 Purchase Agreement, and all shares of Common Stock issued or issuable upon conversion of any such shares of Preferred Stock.

(iii) If the number of shares of Common Stock outstanding at any time after the Effective Time is increased by a stock dividend payable in shares of Common Stock or by a subdivision or split-up of shares of Common Stock, then, following the record date fixed for the determination of holders of Common Stock entitled to receive such stock dividend, subdivision or split-up, the applicable Conversion Price shall be appropriately decreased in the form of a Proportional Adjustment (as defined in Section A.8) so that the number of shares of Common Stock issuable on conversion of each share of Existing Preferred Stock shall be increased in proportion to such increase in outstanding shares.

(iv) If the number of shares of Common Stock outstanding at any time after the Effective Time is decreased by a combination of the outstanding shares of Common Stock (other than pursuant to the Reverse Split), then, following the record date for such combination, the applicable Conversion Price shall be appropriately increased in the form of a Proportional Adjustment so that the number of shares of Common Stock issuable on conversion of each share of Existing Preferred Stock shall be decreased in proportion to such decrease in outstanding shares.

(v) Except as contemplated in Certificate and the Series A-1 Purchaser Agreement, if at any time after the Effective Time, the Corporation shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation (other than shares of Common Stock) or in cash or other property, then and in each such event provision shall be made so that the holders of the Existing Preferred Stock shall receive upon conversion thereof in addition to the number of shares of Common Stock receivable thereupon, the kind and amount of securities of the Corporation, cash or other property which they would have been entitled to receive had the Existing Preferred Stock been converted into Common Stock on the date of such event and had they thereafter, during the period from the date of such event to and including the conversion date, retained such securities receivable by them as aforesaid during such period, giving application to all adjustments called for during such period under this paragraph with respect to the rights of the holders of the Existing Preferred Stock; and provided further, however, that no such adjustment shall be made if the holders of Existing Preferred Stock simultaneously receive a dividend or other distribution of such securities, cash, or other property in an amount equal to the amount of such securities, cash, or other property as they would have received if all outstanding shares of Existing Preferred Stock had been converted into Common Stock on the date of such event.

(vi) Subject to the provisions of Section A.4(h) above, in the event, at any time after the Effective Time, of any capital reorganization, or any reclassification of the capital stock of the

Corporation (other than pursuant to the Reverse Split, other than as contemplated under this Certificate and the Series A-1 Purchase Agreement and other than a change in par value or from par value to no par value or from no par value to par value or as a result of a stock dividend or subdivision, split-up or combination of shares), or the consolidation or merger of the Corporation with or into another person (other than pursuant to the Merger Agreement and other than any consolidation or merger in which the Corporation is the continuing corporation and which does not result in any change in the powers, designations, preferences and rights, or the qualifications, limitations or restrictions, if any, of the capital stock of the Corporation) or of the sale or other disposition of all or substantially all the properties and assets of the Corporation in their entirety to any other person (any such transaction, an "Extraordinary Transaction"), then the Corporation shall provide appropriate adjustment in the form of a Proportional Adjustment to the applicable Conversion Price with respect to each share of Existing Preferred Stock outstanding after the effectiveness of such Extraordinary Transaction (excluding any Existing Preferred Stock redeemed pursuant to Section A.5 hereof in connection therewith) such that each share of Existing Preferred Stock outstanding immediately prior to the effectiveness of the Extraordinary Transaction (other than shares redeemed pursuant to Section A.5 hereof) shall be convertible into the kind and number of shares of stock or other securities or property of the Corporation, or of the corporation resulting from or surviving such Extraordinary Transaction, that a holder of the number of shares of Common Stock deliverable (immediately prior to the effectiveness of the Extraordinary Transaction) upon conversion of such share of Existing Preferred Stock would have been entitled to receive upon such Extraordinary Transaction. The provisions of this Section A.7(e)(v) shall similarly apply to successive Extraordinary Transactions.

(vii) All calculations under this Section A.7(e) shall be made to the nearest one-tenth of a cent ($.001) or to the nearest one-tenth of a share, as the case may be.

(viii) For the purpose of any computation pursuant to Section A.7(d) hereof or this Section A.7(e), the Current Market Price at any date of one share of Common Stock shall be defined as the average of the daily closing prices for the 30 consecutive Business Days ending on the fifth (5th) Business Day before the day in question (as adjusted for any stock dividend, split-up, combination or reclassification that took effect during such 30 Business Day period), determined as follows:

a. If the Common Stock is listed or admitted for trading on a national securities exchange, then the closing price for each day shall be the last reported sales price regular way or, in case no such reported sales took place on such day, the average of the last reported bid and asked prices regular way, in either case on the principal national securities exchange on which the Common Stock is listed or admitted to trading.

b. If the Common Stock is not at the time listed or admitted for trading on any such exchange, then such price shall be equal to the last reported bid and asked prices on such day as reported by the NASD OTCBB or the National Quotation Bureau, Inc., or any similar reputable quotation and reporting service if such quotation is not reported by the NASD OTCBB or the National Quotation Bureau, Inc.

c. If the Common Stock is not traded in such manner that the quotations referred to in this Section A.7(d)(viii) are available for the period required hereunder, then the Current Market Price shall be the fair market value of such share, as determined in good faith by a majority of the entire Board of Directors.

(ix) In any case in which the provisions of this Section A.7(e) shall require that an adjustment shall become effective immediately after a record date for an event, the Corporation may defer until the occurrence of such event (A) issuing to the holder of any shares of Existing Preferred Stock

converted after such record date and before the occurrence of such event the additional shares of capital stock issuable upon such conversion by reason of the adjustment required by such event over and above the shares of capital stock issuable upon such conversion before giving effect to such adjustment, and (B) paying to such holder any cash amounts in lieu of fractional shares pursuant to Section A.7(d) hereof; provided, however, that the Corporation shall deliver to such holder a due bill or other appropriate instrument evidencing such holder' s right to receive such additional shares and such cash upon the occurrence of the event requiring such adjustment.

(x) If a state of facts shall occur that, without being specifically controlled by the provisions of this Section A.7, would not fairly protect the conversion rights of the holders of the Existing Preferred Stock in accordance with the essential intent and principles of such provisions, then the Board of Directors shall make an adjustment in the application of such provisions, in accordance with such essential intent and principles, so as to protect such conversion rights.

(xi) Notwithstanding the foregoing, there shall be no adjustment to the Conversion Price for any issuance or deemed issuance of any shares of Common Stock (which term, for purposes of this Section A.7(e)(x), including all subsections thereof, shall be deemed to include all securities convertible into, or exchangeable or exercisable for, whether directly or indirectly, shares of Common Stock) for a consideration per share greater than the Series C Original Purchase Price.

(f) Whenever the applicable Conversion Price shall be adjusted as provided in Section A.7(e) hereof, the Corporation shall forthwith file and keep on record at the office of the Secretary of the Corporation and at the office of its transfer agent or at such other place as may be designated by the Corporation, a statement, signed by both its President or Chief Executive Officer and its Treasurer or Chief Financial Officer, showing in detail the facts requiring such adjustment and the applicable Conversion Price that shall be in effect after such adjustment. The Corporation shall also cause a copy of such statement to be sent by first-class, certified mail, return receipt requested, postage prepaid, to each Existing Preferred Stockholder at such holder' s address appearing on the Corporation' s records. Where appropriate, such copy shall be given in advance of any such adjustment and shall be included as part of a notice required to be mailed under the provisions of Section A.7(g) hereof.

(g) In the event the Corporation shall propose to take any action of the types described in Section A.7(e)(i), (iii), (iv) or (v) hereof, or any other Event of Sale, the Corporation shall give notice to each Existing Preferred Stockholder in the manner set forth in Section A.7(f) hereof, which notice shall specify the record date, if any, with respect to any such action and the date on which such action is to take place. Such notice shall also set forth such facts with respect thereto as shall be reasonably necessary to indicate the effect of such action (to the extent such effect may be known at the date of such notice) on the applicable Conversion Price with respect to the Existing Preferred Stock, and the number, kind or class of shares or other securities or property which shall be deliverable or purchasable upon each conversion of Preferred Stock. In the case of any action that would require the fixing of a record date, such notice shall be given at least 20 days prior to the record date so fixed, and in the case of any other action, such notice shall be given at least 30 days prior to the taking of such proposed action.

(h) The Corporation shall pay all documentary, stamp or other transactional taxes attributable to the issuance or delivery of shares of capital stock of the Corporation upon conversion of any shares of Existing Preferred Stock; provided, however, that the Corporation shall not be required to pay any taxes which may be payable in respect of any transfer involved in the issuance or delivery of any certificate for such shares in a name other than that of the Existing Preferred Stockholder in respect of which such shares of Existing Preferred Stock are being issued.

(i) The Corporation shall reserve out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the Existing Preferred Stock, sufficient shares of Common Stock to provide for the conversion of all outstanding shares of Existing Preferred Stock.

(j) All shares of Common Stock which may be issued in connection with the conversion provisions set forth herein will, upon issuance by the Corporation, be validly issued, fully paid and nonassessable, not subject to any preemptive or similar rights, and free from all taxes, liens or charges with respect thereto created or imposed by the Corporation.

(k) Upon the consummation of a qualified firm commitment underwritten public offering of Common Stock of the Corporation registered under the Securities Act of 1933, as amended, pursuant to which (i) the Company valuation prior to the offering is equal to or greater than $200 million and (ii) the aggregate gross proceeds to the Corporation (before deduction of underwriters commissions and expenses) are at least $40 million (a "Qualified Public Offering"), each share of Existing Preferred Stock then outstanding shall, by virtue of and immediately prior to the closing of such qualified firm commitment public offering and without any action on the part of the holder thereof, be deemed automatically converted into that number of shares of Common Stock of which the Existing Preferred Stock would be

convertible if such conversion were to occur immediately prior to closing of the Qualified Public Offering. The holder of any shares of Existing Preferred Stock converted into Common Stock pursuant to this Section A.7(k) shall be entitled to payment of all declared or accrued but unpaid dividends, if any, payable on or with respect to such shares up to and including the date of the closing of such Qualified Public Offering which shall be deemed the Conversion Date for purposes of this Section A.7(k).

8. Definitions. As used in this Part A of Article III of this Certificate, the following terms shall have the corresponding meanings:

"Business Day" shall mean any day other than a Saturday, Sunday or day on which banks are closed in the city and state where the principal executive office of the Corporation is located.

"Series A Original Purchase Price" shall mean, with respect to the Series A Stock and after giving effect to the Reverse Split, $15.00 per share, subject, for all purposes other than Section A.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series B Original Purchase Price" shall mean, with respect to the Series B Stock and after giving effect to the Reverse Split, $15.00 per share, subject, for all purposes other than Section A.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series C Original Purchase Price" shall mean, with respect to the Series C Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section A.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Proportional Adjustment" shall mean an adjustment made to the price of the Preferred Stock upon the occurrence of a stock split, reverse stock split, stock dividend, stock combination reclassification or other similar change with respect to such security, such that the price of one share of the Preferred Stock before the occurrence of any such

change shall equal the aggregate price of the share (or shares or fractional share) of such security (or any other security) received by the holder of the Preferred Stock with respect thereto upon the effectiveness of such change. Notwithstanding the foregoing, the Reverse Split shall not rigger or give rise to any Proportional Adjustment.

9. Forced Conversion in the Qualified Financing.

(a) Definitions. For purposes of this Section A.9 of Article III, the following definitions shall apply:

(i) "Applicable Portion" shall mean that percentage of a holder of Existing Preferred Stock' s Pro Rata Portion not committed to be purchased by such holder in the Qualified Financing.

(ii) "Offered Securities" shall mean the Series A-1 Stock offered for sale in the Qualified Financing.

(iii) "Pro Rata Portion" shall mean, with respect to any holder of Existing Preferred Stock, that percentage figure which expresses the ratio that (A) the number of shares of issued and outstanding Common Stock owned by such holder of Existing Preferred Stock as of March 31, 2011 (or, in the case of a holder of Existing Preferred Stock who received all of its shares of Existing Preferred Stock in a transfer from a former holder of Existing Preferred Stock occurring after March 31, 2011, the number shares of issued and outstanding Common Stock owned by such former holder of Existing Preferred Stock as of March 31, 2011) bears to (B) the aggregate number of shares of issued and outstanding Common Stock owned as of such date by all holders of Existing Preferred Stock. For purposes of the computation set forth in clauses (A) and (B) above, all issued and outstanding securities held by holders of Existing Preferred Stock (or former holders of Existing Preferred Stock, as applicable, under clause (A) above) that are convertible into or exercisable or exchangeable for shares of Common Stock (including any issued and issuable shares of Existing Preferred Stock) or for any such convertible, exercisable or

exchangeable securities, shall be treated as having been so converted, exercised or exchanged at the rate or price at which such securities are convertible, exercisable or exchangeable for shares of Common Stock in effect at the time in question, whether or not such securities are at such time immediately convertible, exercisable or exchangeable.

(iv) "Qualified Financing" shall mean the transaction involving the issuance of shares of Series A-1 Stock pursuant to the terms of the Series A-1 Purchase Agreement.

(v) "Series A-1 Offering Existing Investor Available Amount" means Thirty Five Million Dollars ($35,000,000) of the total amount of Offered Securities in the Qualified Financing.

(vi) "Series A-1 Purchase Agreement" shall mean that certain Series A-1 Convertible Preferred Stock Purchase Agreement dated as of April 25, 2011 by and among the Corporation and the "Investors" party thereto.

(b) Conversion of Existing Preferred Stock to Common Stock in Connection with the Qualified Financing. In the event that an Existing Preferred Stockholder does not participate in the Qualified Financing by committing to purchase and purchasing (or securing an investor who commits to purchase and purchases), pursuant to the terms of the Series A-1 Purchase Agreement, in the Qualified Financing in the aggregate and within the time period specified in the Series A-1 Purchase Agreement such holder' s Pro Rata Portion of the Series A-1 Offering Existing Investor Available Amount, then the Applicable Portion of each series of Existing Preferred Stock held by such holder shall automatically, and without any further action on the part of such holder, be converted into shares of Common Stock at a rate

of 1 share of Common Stock for every 5 shares of Existing Preferred Stock to be so converted and all accrued dividends on such shares of Existing Preferred Stock shall be forfeited. The conversion set forth in this paragraph (b) is referred to as the "Forced Conversion". The Forced Conversion shall become effective immediately prior to, but subject to the consummation of, the Stage I Closing (as defined in the Series A-1 Purchase Agreement).

(c) Conversion of Series C Stock to Series A-2 Stock in the Qualified Financing. Each share of Series C Stock that remains outstanding after the Forced Conversion shall, immediately following the Forced Conversion and upon the consummation of the Stage I Closing, automatically, and without any further action by any holder thereof, be reclassified and converted into one (1) share of Series A-2 Stock and all accrued dividends on such reclassified shares of Series C Stock shall be forfeited.

(d) Conversion of Series B Stock to Series A-3 Stock in the Qualified Financing. Each share of Series B Stock that remains outstanding after the Forced Conversion shall, immediately following the Forced Conversion and upon the consummation of the Stage I Closing, automatically, and without any further action by any holder thereof, be reclassified and converted into one (1) share of Series A-3 Stock and all accrued dividends on such reclassified shares of Series B Stock shall be forfeited.

(e) Conversion of Series A Stock to Series A-4 Stock in the Qualified Financing. Each share of Series A Stock that remains outstanding after the Forced Conversion shall, immediately following the Forced Conversion and upon the consummation of the Stage I Closing, automatically, and without any further action by any holder thereof, be reclassified and converted into one (1) share of Series A-4 Stock.

(f) Procedure. Immediately following the Stage I Closing, all stock certificates representing shares of Existing Preferred Stock shall be deemed cancelled and shall thereafter be deemed to evidence only (i) the number of shares of Common Stock into which such shares of Existing Preferred Stock were converted as a result of the Forced Conversion or (ii) the number of shares of Series A-2 Stock, Series A-3 or Series A-4 Stock into which such shares of Existing Preferred Stock were reclassified and converted pursuant to the foregoing provisions of this Section A.9 of Article III. Each holder of a certificate or certificates that, immediately before the Stage I Closing, represented shares of Existing Preferred Stock shall, as soon as practicable after the Stage I Closing, surrender such certificate or certificates, duly endorsed for transfer or with duly executed stock transfer powers sufficient to permit transfers attached, at the office of the Corporation or any transfer agent for such shares of Existing Preferred Stock (or such holder shall notify the Corporation or any transfer agent that such

certificate or certificates have been lost, stolen or destroyed and shall execute an agreement reasonably satisfactory to the Corporation to indemnify the Corporation from any loss incurred by it in connection therewith). The Corporation shall, as soon as practicable thereafter, issue and deliver at such office to such holder, or to such holder' s nominee or nominees, a certificate or certificates for the number of shares of Common Stock into which such holder' s shares of Existing Preferred Stock were converted pursuant to the Forced Conversion or shares of Series A-2 Stock, Series A-3 or Series A-4 Stock, as applicable, to which such holder shall be entitled as aforesaid. From and after the Stage I Closing, each stock certificate that, prior to the Stage I Closing, represented shares of Existing Preferred Stock that were converted into Common Stock pursuant to the Forced Conversion or reclassified and converted into shares of Series A-2 Stock, Series A-3 or Series A-4 Stock as provided above shall, until its surrender, be deemed to represent the number of shares of Common Stock, Series A-2 Stock, Series A-3 or Series A-4 Stock, as applicable, into which such shares of Existing Preferred Stock were converted or reclassified.

(g) No Reissue of Converted Existing Preferred Stock. No share of Existing Preferred Stock that is converted pursuant to any of the provisions of this Section A.9 shall be reissued, and the

Corporation shall not hold such share of Existing Preferred Stock so converted in treasury but, instead, shall retire and cancel such share immediately upon the conversion thereof pursuant to this Section A.9.

PART B. NEW PREFERRED STOCK

1. Designation and Amount. The number of shares, powers, terms, conditions, designations, preferences and privileges, relative, participating, optional and other special rights, and qualifications, limitations and restrictions, if any, of the New Preferred Stock shall be as set forth in this Part B. The number of authorized shares of the Series A-1 Stock is Ten Million (10,000,000), the number of authorized shares of the Series A-2 Stock is Nine Million Eight Hundred Thirty-two Thousand One Hundred Thirty-three (9,832,133), the number of authorized shares of the Series A-3 Stock is One Million Four Hundred Twenty-two Thousand Three Hundred (1,422,300), the number of authorized shares of the Series A-4 Stock is Forty Thousand and Three (40,003), the number of authorized shares of the Series A-5 Stock is Seventy Thousand (70,000) and the number of authorized shares of the Series A-6 Stock is Eight Million (8,000,000).

2. Ranking. As to dividends (other than with respect to the payment of the Series A-5 Accruing Dividend which shall rank senior in payment to any other dividends payable on any and all series of New Preferred Stock) and upon Liquidation (as defined in Section B.4(b) hereof) or an Event of Sale (as defined in Section B.5 hereof), each share of Series A-1 Stock shall rank equally with each other share of Series A-1 Stock and senior to all shares of Series A-2 Stock, Series A-3 Stock, Series A-4 Stock, Series A-5 Stock, Series A-6 Stock and shares of Common Stock and all other classes or series of stock not authorized by this Certificate as of the Effective Time; each share of Series A-2 Stock shall rank equally with each other share of Series A-2 Stock and senior to all shares of Series A-3 Stock, Series A-4 Stock, Series A-5 Stock, Series A-6 Stock and shares of Common Stock and all other classes or series of stock not authorized by this Certificate as of the Effective Time; each share of Series A-3 Stock, Series A-5 Stock and Series A-6 Stock shall rank equally with each other share of Series A-3 Stock, Series A-5 and Series A-6 Stock and senior to all shares of Series A-4 Stock and shares of Common Stock and all other classes or series of stock not authorized by this Certificate as of the Effective Time; except, in all cases, as otherwise approved by the affirmative vote or consent of holders of shares of Series A-1 Stock, Series A-2 Stock and/or Series A-3 Stock representing at least 70% of the voting power of the shares of Series A-1 Stock, Series A-2 Stock and Series A-3 Stock then outstanding (determined as set forth in the second sentence of Section A.6(a) hereof) (the "New Senior Majority"). Each share of Series A-4 Stock, shall rank equally with each other share of Series A-4 Stock and senior to all shares of Common Stock and all other classes or series of stock not authorized by this Certificate as of the Effective Time, except as otherwise approved by the affirmative vote or consent of the New Senior Majority.

3. Dividend Provisions.

(a) Series A-1 Stock. The holders of shares of Series A-1 Stock shall be entitled to receive a per share dividend at the rate of 8% of the Series A-1 Original Purchase Price (as defined in Section B.8 hereof) per annum, compounding annually (the "Series A-1 Accruing Dividend"), and which will accrue on a quarterly basis commencing on the date of issuance of such share of Series A-1 Stock. The holders of Series A-1 Stock shall be entitled to receive dividends prior in right to the payment of dividends and other distributions (whether in

cash, property or securities of the Corporation, including subscription or other rights to acquire securities of the Corporation) on the Series A-2 Stock, Series A-3 Stock, Series A-4 Stock, Series A-5 Stock, Series A-6 Stock and Common Stock, but not with respect to the payment of the Series A-5 Special Accruing Dividend, as set forth in Section B.3(d) below, which shall rank senior in payment to any dividends payable with respect to the Series A-1 Stock. Any dividends with respect to the Series A-1 Stock shall be payable, at the sole discretion of the Board of Directors, in cash or the issuance of that number of shares of Common Stock equal to the quotient obtained by dividing (x) the amount of such

accrued and unpaid dividends thereon by (y) the Current Market Price of a share of Common Stock, when, as and if declared or paid by the Board of Directors and, as accrued, on any Liquidation or Event of Sale. Dividends with respect to the Series A-1 Stock shall be payable in shares of Common Stock (calculated based upon the then effective Series A-1 Conversion Price), as accrued, upon the conversion of the Series A-1 Stock into Common Stock. Whenever any dividend may be declared or paid on any share of Series A-1 Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series A-1 Stock then outstanding, so that all outstanding shares of Series A-1 Stock will participate equally with each other and ratably per share (calculated as provided in Section B.3(f) hereof). Whenever any dividend or other distribution, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series A-1 Stock then outstanding so that all outstanding shares of Series A-1 Stock will participate in such dividend ratably with such shares of Common Stock (calculated as provided in Section B.3(e) hereof); or (ii) any shares of any other series of Preferred Stock (other than the Series A-2 Accruing Dividend, the Series A-3 Accruing Dividend and the Series A-5 Special Accruing Dividend), the Board of Directors shall also declare and pay a dividend on the same terms, at the same or equivalent rate upon each share of the Series A-1 Stock then outstanding so that all outstanding shares of Series A-1 Stock will participate in such dividend ratably with such shares of such other series of Preferred Stock (based on the number of shares of Common Stock into which each share of Series A-1 Stock and each share of such other series of Preferred Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of such other series of Preferred Stock as compared with the Series A-1 Stock then outstanding).

(b) Series A-2 Stock. The holders of shares of Series A-2 Stock shall be entitled to receive a per share dividend at the rate of 8% of the Series A-2 Original Purchase Price (as defined in Section B.8 hereof) per annum, compounding annually (the "Series A-2 Accruing Dividend"), and which will accrue on a quarterly basis commencing on the date of issuance of such share of Series A-2 Stock. The holders of Series A-2 Stock shall be entitled to receive dividends prior in right to the payment of dividends and other distributions (whether in cash, property or securities of the Corporation, including subscription or other rights to acquire securities of the Corporation) on the Series A-3 Stock, Series A-4 Stock, Series A-5 Stock, Series A-6 Stock and Common Stock, but not with respect to the payment of the Series A-5 Special Accruing Dividend, as set forth below in Section B.3(d) below, which shall rank senior in payment to any dividends payable with respect to the Series A-2 Stock. Any dividends with respect to the Series A-2 Stock shall be payable, at the sole discretion of the Board of Directors, in cash or the issuance of that number of shares of Common Stock equal to the quotient obtained by dividing (x) the amount of such accrued and unpaid dividends thereon by (y) the then fair market value of a share of Common Stock, when, as and if declared or paid by the Board of Directors and, as accrued, on any Liquidation or Event of Sale. Dividends with respect to the Series A-2 Stock shall be payable in shares of Common Stock (calculated based upon the then effective Series A-2 Conversion Price), as accrued, upon the conversion of the Series A-2 Stock into Common Stock. Whenever any dividend may be declared or paid on any share of Series A-2 Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series A-2 Stock then outstanding, so that all outstanding shares of Series A-2 Stock will participate equally with each other and ratably per share (calculated as provided in Section B.3(f) hereof). Whenever any dividend or other distribution, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series A-2 Stock then outstanding so that all outstanding shares of Series A-2 Stock will participate in such dividend ratably with such shares of Common Stock (calculated as provided in Section B.3(f) hereof); or (ii) any shares of any other series of Preferred Stock (other than the Series A-1 Accruing Dividend, the Series A-3 Accruing Dividend and the Series A-5 Special Accruing Dividend), the Board of Directors shall also declare and pay

a dividend on the same terms, at the same or equivalent rate upon each share of the Series A-2 Stock then outstanding so that all outstanding shares of Series A-2 Stock will participate in such dividend ratably with such shares of such other series of Preferred Stock (based on the number of shares of Common Stock into which each share of Series A-2 Stock and each share of such other series of Preferred Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of such other series of Preferred Stock as compared with the Series A-2 Stock then outstanding).

(c) Series A-3 Stock. The holders of shares of Series A-3 Stock shall be entitled to receive a per share dividend at the rate of 8% of the Series A-3 Original Purchase Price (as defined in Section B.8 hereof) per annum, compounding annually (the "Series A-3 Accruing Dividend"), and which will accrue on a quarterly basis commencing on the date of issuance of such share of Series A-3 Stock. The holders of Series A-3 Stock shall be entitled to receive dividends prior in right to the payment of dividends and other distributions (whether in cash, property or securities of the Corporation, including subscription or other rights to acquire securities of the Corporation) on the Series A-4 Stock, Series A-5 Stock, Series A-6 Stock and Common Stock, but not with respect to the payment of the Series A-5 Special Accruing Dividend, as set forth below in Section B.3(d) below, which shall rank senior in payment to any dividends payable with respect to the Series A-3 Stock. Any dividends with respect to the Series A-3 Stock shall be payable, at the sole discretion of the Board of Directors, in cash or the issuance of that number of shares of Common Stock equal to the quotient obtained by dividing (x) amount of such accrued and unpaid dividends thereon by (y) the then fair market value of a share of Common Stock, when, as and if declared or paid by the Board of Directors and, as accrued, on any Liquidation or Event of Sale. Dividends with respect to the Series A-3 Stock shall be payable in shares of Common Stock (calculated based upon the then effective Series A-3 Conversion Price), as accrued, upon the conversion of the Series A-3 Stock into Common Stock. Whenever any dividend may be declared or paid on any share of Series A-3 Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series A-3 Stock then outstanding, so that all outstanding shares of Series A-3 Stock will participate equally with each other and ratably per share (calculated as provided in Section B.3(f) hereof). Whenever any dividend or other distribution, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series A-3 Stock then outstanding so that all outstanding shares of Series A-3 Stock will participate in such dividend ratably with such shares of Common Stock (calculated as provided in Section B.3(f) hereof); or (ii) any shares of any other series of Preferred Stock (other than the Series A-1 Accruing Dividend, the Series A-2 Accruing Dividend and the Series A-5 Special Accruing Dividend), the Board of Directors shall also declare and pay a dividend on the same terms, at the same or equivalent rate upon each share of the Series A-3 Stock then outstanding so that all outstanding shares of Series A-3 Stock will participate in such dividend ratably with such shares of such other series of Preferred Stock (based on the number of shares of Common Stock into which each share of Series A-3 Stock and each share of such other series of Preferred Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of such other series of Preferred Stock as compared with the Series A-3 Stock then outstanding).

(d) Series A-5 Stock. Without regard to the payment of the required dividends to the holders of Series A-1 Stock, Series A-2 Stock and Series A-3 Stock in accordance with Section B.3(a), (b) and (c), respectively, above, the holders of shares of the Series A-5 Stock shall be entitled to receive a per share dividend (the "Series A-5 Special Accruing Dividend") that shall accrue and be paid in the form of Series A-6 Stock or other securities subject to and in accordance with the provisions of that certain Stock Issuance Agreement to which the Corporation and Nordic Bioscience Clinical Development VII A/S are party dated March 29, 2011 (the "Stock Issuance Agreement"). Whenever any dividend may be declared or paid on any shares of Series A-5 Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series A-5 Stock then

outstanding, so that all outstanding shares of Series A-5 Stock will participate equally with each other and ratably per share (calculated as provided in Section B.3(f) hereof). Whenever any dividend or other distribution, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series A-5 Stock then outstanding so that all outstanding shares of Series A-5 Stock will participate in such dividend ratably

with such shares of Common Stock (calculated as provided in Section B.3(f) hereof); or (ii) any shares of any other series of Preferred Stock (other than the Series A-1 Accruing Dividend, the Series A-2 Accruing Dividend and the Series A-3 Accruing Dividend), the Board of Directors shall also declare and pay a dividend on the same terms, at the same or equivalent rate upon each share of the Series A-5 Stock then outstanding so that all outstanding shares of Series A-5 Stock will participate in such dividend ratably with such shares of such other series of Preferred Stock (based on the number of shares of Common Stock into which each share of Series A-5 Stock and each share of such other series of Preferred Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of such other series of Preferred Stock as compared with the Series A-5 Stock then outstanding).

(e) Series A-4 Stock and Series A-6 Stock. Following payment in full of required dividends to the holders of Series A-1 Stock, Series A-2 Stock, Series A-3 and Series A-5 Stock or any other class or series of capital stock that is senior to or on parity with the any such series of Preferred Stock as to dividends, in accordance with Sections B.3(a), (b), (c) or (d) above or any other section of this Certificate as in effect from time to time, the holders of shares of the Series A-4 Stock and Series A-6 Stock shall be entitled to receive, when, if and as declared by the Board of Directors, dividends on any shares of Series A-4 Stock or Series A-6 Stock, as the case may be, out of funds legally available for that purpose, at a rate to be determined by the Board of Directors if and when they may so declare any dividend on the Series A-4 Stock or A-6 Stock, as the case may be. Whenever any dividend may be declared or paid on any shares of Series A-4 Stock or Series A-6 Stock, as applicable, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series A-4 Stock or the Series A-6 Stock, as applicable, then outstanding, so that all outstanding shares of Series A-4 Stock or Series A-6 Stock, as applicable, will participate equally with each other and ratably per share (calculated as provided in Section B.3(f) hereof). Whenever any dividend or other distribution, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series A-4 Stock and Series A-6 Stock then outstanding so that all outstanding shares of Series A-4 Stock and Series A-6 Stock will participate in such dividend ratably with such shares of Common Stock (calculated as provided in Section B.3(f) hereof); or (ii) any shares of any other series of Preferred Stock (other than the Series A-1 Accruing Dividend, the Series A-2 Accruing Dividend, the Series A-3 Accruing Dividend and the Series A-5 Special Accruing Dividend), the Board of Directors shall also declare and pay a dividend on the same terms, at the same or equivalent rate upon each share of the Series A-4 Stock and Series A-6 Stock then outstanding so that all outstanding shares of Series A-4 Stock and Series A-6 Stock will participate in such dividend ratably with such shares of such other series of Preferred Stock (based on the number of shares of Common Stock into which each share of Series A-4 Stock and Series A-6 Stock and each share of such other series of Preferred Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of such other series of Preferred Stock as compared with the Series A-4 Stock and Series A-6 Stock then outstanding).

(f) In connection with any dividend declared or paid hereunder, each share of Preferred Stock shall be deemed to be that number of shares (including fractional shares) of Common Stock into which it is then convertible, rounded up to the nearest one-tenth of a share. No fractional shares of capital stock shall be issued as a dividend hereunder. The Corporation shall pay a cash adjustment for any

such fractional interest in an amount equal to the fair market value thereof on the last Business Day (as defined in Section B.8 hereof) immediately preceding the date for payment of dividends as determined by the Board of Directors in good faith.

4. Liquidation Rights.

(a) As to rights upon any Liquidation or an Event of Sale, each share of Series A-1 Stock shall rank equally with each other share of Series A-1 Stock and senior to all shares of Series A-2 Stock, Series A-3 Stock, Series A-4 Stock, Series A-5 Stock and Series A-6 Stock; each share of Series A-2 Stock shall rank equally with each other share of Series A-2 Stock and senior to all shares of Series A-3 Stock, Series A-4 Stock, Series A-5 Stock and Series A-6 Stock; each share of Series A-3 Stock, Series A-5 Stock and Series A-6 Stock shall rank equally with each other share of Series A-3 Stock, Series A-5 and Series A-6 Stock and senior to all shares of Series A-4 Stock and shares of Common Stock and all other classes or series of stock not authorized by this Certificate as of the Effective Time, except as otherwise approved by the affirmative vote or consent of the New Senior Majority. Each share of Series A-4 Stock, shall rank equally with

each other share of Series A-4 Stock and senior to all shares of Common Stock and all other classes or series of stock not authorized by this Certificate as of the Effective Time, except as otherwise approved by the affirmative vote or consent of the New Senior Majority.

(b) In the event of any liquidation, dissolution or winding-up of the affairs of the Corporation (collectively, a "Liquidation"): (i) the holders of shares of Series A-1 Stock then outstanding (the "Series A-1 Stockholders") shall be entitled to receive, ratably with each other, out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the holders of Series A-2 Stock then outstanding (the "Series A-2 Stockholders"), Series A-3 Stock then outstanding (the "Series A-3 Stockholders"), Series A-4 Stock then outstanding (the "Series A-4 Stockholders"), Series A-5 Stock then outstanding (the "Series A-5 Stockholders") or Series A-6 Stock then outstanding (the "Series A-6 Stockholders" and collectively with the Series A-1 Stockholders, Series A-2 Stockholders, Series A-3 Stockholders, Series A-4 Stockholders and the Series A-5 Stockholders, the "New Preferred Stockholders"), or the holders of Common Stock or any other class or series of stock ranking on Liquidation junior to such Series A-1 Stock, an amount per share equal to the Series A-1 Original Purchase Price (as defined in Section B.8 hereof), plus an amount equal to any declared or accrued but unpaid dividends thereon, calculated pursuant to Section B.3(a) hereof; and (ii) after the distribution to the Series A-1 Stockholders, and any other class or series of capital stock that is senior to the Series A-2 Stock as to Liquidation, of the full amount to which they are entitled to receive pursuant to this Section B.4(b) or any other section of this Certificate as in effect from time to time, the Series A-2 Stockholders, shall be entitled to receive, ratably with each other, out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the Series A-3 Stockholders, the Series A-4 Stockholders, the Series A-5 Stockholders or the Series A-6 Stockholders, or the holders of Common Stock or any other class or series of stock ranking on Liquidation junior to such Series A-2 Stock, an amount per share equal to the Series A-2 Original Purchase Price (as defined in Section B.8 hereof), plus an amount equal to any declared or accrued but unpaid dividends thereon, calculated pursuant to Section B.3(b) hereof; (iii) after the distribution to the Series A-1 Stockholders, the Series A-2 Stockholders and holders of any other class or series of capital stock that is senior the Series A-3 Stock as to Liquidation, of the full amount to which they are entitled to receive pursuant to this Section B.4(b) or any other section of this Certificate as in effect from time to time, the Series A-3 Stockholders, the Series A-5 Stockholders, and the Series A-6 Stockholders shall be entitled to receive out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the Series A-4 Stockholders or the holders of Common Stock or any other class or series of stock ranking

on Liquidation junior to such Series A-3 Stock, Series A-5, or Series A-6 Stock an amount per share equal to the Series A-3 Original Purchase Price (as defined in Section B.8 hereof), Series A-5 Original Purchase Price (as defined in Section B.8 hereof) or Series A-6 Original Purchase Price (as defined in Section B.8 hereof), respectively, plus an amount equal to any declared or accrued but unpaid dividends thereon, calculated pursuant to Section B.3 hereof; and (iv) after the distribution to the Series A-1 Stockholders, the Series A-2 Stockholders, the Series A-3 Stockholders, the Series A-5 Stockholders, the Series A-6 Stockholders and holders of any other class or series of capital stock that is senior to the Series A-4 Stock as to Liquidation, of the full amount to which they are entitled to receive pursuant to this Section B.4(b) or any other section of this Certificate as in effect from time to time, the Series A-4 Stockholders shall be entitled to receive out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the holders of Common Stock or any other class or series of stock ranking on Liquidation junior to such Series A-4 Stock an amount per share equal to the Series A-4 Original Purchase Price (as defined in Section B.8 hereof), plus an amount equal to any declared but unpaid dividends thereon, calculated pursuant to Section B.3 hereof.

(c) If, upon any Liquidation, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series A-1 Stockholders the full amount to which each of them shall be entitled pursuant to Section A.4(b) above, then the Series A-1 Stockholders shall share ratably in any distribution of assets according to the respective amounts which would be payable to them in respect of the shares of Series A-1 Stock held upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(d) If, upon any Liquidation, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series A-2 Stockholders the full amount to which each of them shall be entitled pursuant to Section B.4(b) above and to pay to the holders of any other class or series of capital stock that is on a parity with the Series A-2 Stock upon Liquidation the full amount to

which each of such holders shall be entitled pursuant to Section B.4(b) or any other section of this Certificate as in effect from time to time, then the Series A-2 Stockholders and such holders shall share ratably in any distribution of assets according to the respective amounts which would be payable to them in respect of the shares of Series A-2 Stock and the shares of such other class or series of capital stock held upon such distribution if all amounts payable on or with respect to all of such shares were paid in full.

(e) If, upon any Liquidation, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series A-3 Stockholders, the Series A-5 Stockholders and the Series A-6 Stockholders the full amount to which each of them shall be entitled pursuant to Section B.4(b) above and to pay to the holders of any other class or series of capital stock that is on a parity with the Series A-3, Series A-5 Stock and the Series A-6 Stock upon Liquidation the full amount to which each of such holders shall be entitled pursuant to Section B.4(b) or any other section of this Certificate as in effect from time to time, then the Series A-3 Stockholders, the Series A-5 Stockholders, the Series A-6 Stockholders and such holders shall share ratably in any distribution of assets according to the respective amounts which would be payable to them in respect of the shares of Series A-3 Stock, Series A-5 Stock and Series A-6 Stock and the shares of such other class or series of capital stock, as the case may be, held upon such distribution if all amounts payable on or with respect to all of such shares were paid in full.

(f) If, upon any Liquidation, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series A-4 Stockholders the full amount to which each of them shall be entitled pursuant to Section B.4(b) above and to pay to the holders of any other class or series of capital stock that is on a parity with the Series A-4 Stock upon Liquidation the full amount to which each of such holders shall be entitled pursuant to Section B.4(b) or any other section of this Certificate as in effect from time to time, then the Series A-4 Stockholders and such holders shall share ratably in any distribution of assets according to the respective amounts which would be payable to them in respect of the

shares of Series A-4 Stock and the shares of such other class or series of capital stock held upon such distribution if all amounts payable on or with respect to all of such shares were paid in full.

(g) In the event of any Liquidation, after payment shall have been made to the New Preferred Stockholders of the full amount to which they shall be entitled pursuant to Section B.4(b) and to the holders of any class or series of capital stock that is senior to or on parity with the New Preferred Stock, or any series, thereof, as in effect from time to time, the holders of each other class or series of capital stock (other than Common Stock) ranking on Liquidation junior to the New Preferred Stock, but senior to the Common Stock, as a class, shall be entitled to receive an amount equal (and in like kind) to the aggregate preferential amount fixed for each such junior class or series of capital stock. If, upon any Liquidation, after payment shall have been made to the New Preferred Stockholders of the full amount to which they shall be entitled pursuant to Section B.4(b), the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay a class or series of capital stock (other than the Common Stock) junior to the New Preferred Stock the full amount to which they shall be entitled pursuant to the preceding sentence, the holders of such other class or series of capital stock shall share ratably, based upon the number of then outstanding shares of such other class or series of capital stock, in any remaining distribution of assets according to the respective preferential amounts fixed for such junior class or series of capital stock or which would be payable to them in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(h) In the event of any Liquidation, after payments shall have been made first to the New Preferred Stockholders and to the holders of any class or series of capital stock that is senior to or on parity with the New Preferred Stock, or any series thereof, as in effect from time to time, and to the holders of class or series of capital stock that is junior to or on parity with the New Preferred Stock but senior to the Common Stock, of the full amount to which they each shall be entitled as aforesaid, the holders of Common Stock, as a class, shall be entitled to share ratably with the holders of Participating Preferred Stock as provided in the last sentence in this Section B.4(h)) in all remaining assets of the Corporation legally available for distribution to its stockholders. For purposes of calculating the amount of any payment to be paid upon any such Liquidation pursuant to the participation feature described in this Section B.4(h), each share of such Participating Preferred Stock shall be deemed to be that number of shares (including fractional shares and any shares attributable to the payment of accrued and unpaid dividends upon conversion of such Participating Preferred Stock pursuant to Section B.7(b)) of Common Stock into which it is then convertible, rounded to the nearest one-tenth of a share.

(i) (i) In the event of and simultaneously with the closing of an Event of Sale, the Corporation shall, unless waived by the New Senior Majority or otherwise prevented by law, redeem all of the shares of New Preferred Stock then outstanding for a cash amount per share determined as set forth in Sections B.4(a) through (h) hereof (the "Special Liquidation Price," said redemption being referred to herein as a "Special Liquidation"). In the event the Event of Sale involves consideration that does not consist of cash, then the Special Liquidation Price may be paid with such consideration having a value equal to the Special Liquidation Price. To the extent there is any cash consideration in connection with an Event of Sale, at the option of the New Senior Majority, the cash consideration will first (i) be applied to satisfy the Special Liquidation Price payable to the Series A-1 Stockholders and to the holders of any other class or series of capital stock that is senior to or on parity with the Series A-1 Stock as to Liquidation; and then (ii) be applied to satisfy the Special Liquidation Price payable to the holders of Series A-2 Stock and to the holders of any other class or series of capital stock that is junior to the Series A-1 Stock but senior to or on parity with the Series A-2 Stock as to Liquidation; and then (iii) be applied to satisfy the Special Liquidation Price payable to holders of Series A-3 Stock, Series A-5 Stock, Series A-6 Stock and any other class or series of capital stock that is junior to the Series A-2 Stock but senior to or on parity with the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock as to Liquidation (in relative proportion to the full liquidation preference the Series A-3 Stockholders, Series A-5 Stockholders, Series A-6 Stockholders and

the holders of such other class or series of capital stock would have received had there been sufficient cash consideration to have paid their liquidation preference in full) and then (iv) be applied to satisfy the Special Liquidation Price payable to the holders of Series A-4 Stock and to the holders of any other class or series of capital stock that is junior to the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock but senior to or on parity with the Series A-4 Stock, in all cases, prior to the payment thereof to any other stockholders of the Corporation. For all purposes of this Section B.4(i), the Special Liquidation Price shall be equal to that amount per share which would be received by each New Preferred Stockholder if, in connection with an Event of Sale, all the consideration paid in exchange for the assets or the shares of capital stock (as the case may be) of the Corporation were actually paid to and received by the Corporation and the Corporation were immediately thereafter liquidated and its assets distributed pursuant to Sections B.4(a) through (h) hereof. To the extent that one or more redemptions (as described in Section B.5 hereof) and/or Special Liquidations are occurring concurrently, the Special Liquidation under this Section B.4(i) shall be deemed to occur first. The date upon which the Special Liquidation shall occur is sometimes referred to herein as the "Special Liquidation Date".

(ii) In the absence of an applicable waiver pursuant to Section B.4(i) above, at any time on or after the Special Liquidation Date, a New Preferred Stockholder shall be entitled to receive the Special Liquidation Price for each such share of New Preferred Stock owned by such holder. Subject to the provisions of Section B.4(i)(iii) hereof, payment of the Special Liquidation Price will be made to each such holder upon actual delivery to the Corporation or its transfer agent of the certificate of such holder representing such shares of New Preferred Stock, as the case may be, or an affidavit of loss as to the same.

(iii) If on the Special Liquidation Date less than all the shares of New Preferred Stock then outstanding may be legally redeemed by the Corporation, the Special Liquidation shall be made first as to the Series A-1 Stock (and any other class or series of capital stock that is senior to or on parity with the Series A-1 Stock as to Liquidation), pro rata with respect to such Series A-1 Stock (or such other class or series of capital stock that is senior to or on parity with the Series A-1 Stock as to Liquidation) based upon the number of outstanding shares of Series A-1 Stock (or such other class or series of capital stock that is senior to or on parity with the Series A-1 Stock as to Liquidation) then owned by each such holder thereof until such holders are satisfied in full, and then to the Series A-2 Stock (and any other class or series of capital stock that is junior to the Series A-1 Stock but senior to or on parity with the Series A-2 Stock as to Liquidation), pro rata with respect to such Series A-2 Stock (or such other class or series of capital stock that is junior to the Series A-1 Stock but senior to or on parity with the Series A-2 Stock as to Liquidation) based upon the number of outstanding shares of Series A-2 Stock (or such other class or series of capital stock that is junior to the Series A-1 Stock but senior to or on parity with the Series A-2 Stock as to Liquidation) then owned by each such holder thereof until such holders are satisfied in full, and then to the holders of the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock (and any other class or series of capital stock that is junior to the Series A-2 Stock but senior to or on parity with the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock as to Liquidation), pro rata with respect to such Series A-3, Stock Series A-5 Stock and Series A-6 Stock (or such other class or series of capital stock that is junior to the Series A-2 Stock but senior to or on parity with the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock as to Liquidation) based upon the number of outstanding shares of Series A-3 Stock, Series A-5 Stock and Series A-6 Stock (or such other class or series of capital stock that is junior to the Series A-2 Stock but senior to or on

parity with the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock as to Liquidation) then owned by each holder thereof, and then to the Series A-4 Stock (and any other class or series of capital stock that is junior to the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock but senior to or on parity with the Series A-4 Stock as to Liquidation), pro rata with respect to such Series A-4 Stock (or such other class or series of capital stock that is junior to the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock but senior to or on parity with the Series A-4 Stock as to Liquidation) based upon the number of outstanding shares of Series A-4 Stock (or such other

class or series of capital stock that is junior to the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock but senior to or on parity with the Series A-4 Stock as to Liquidation) then owned by each such holder thereof until such holders are satisfied in full.

(iv) On and after any Special Liquidation Date, all rights in respect of the shares of New Preferred Stock to be redeemed shall cease and terminate except the right to receive the applicable Special Liquidation Price as provided herein, and such shares of New Preferred Stock shall no longer be deemed to be outstanding, whether or not the certificates representing such shares of New Preferred Stock have been received by the Corporation; provided, however, that, if the Corporation defaults in the payment of the Special Liquidation Price with respect to any New Preferred Stock, the rights of the holder(s) thereof with respect to such shares of New Preferred Stock shall continue until the Corporation cures such default.

(v) Anything contained herein to the contrary notwithstanding, all or any of the provisions of this Section B.4(i) may be waived by the New Senior Majority, by delivery of written notice of waiver to the Corporation prior to the closing of any Event of Sale.

(vi) Any notice required to be given to the holders of shares of New Preferred Stock pursuant to Section B.7(g) hereof in connection with an Event of Sale shall include a statement by the Corporation of (A) the Special Liquidation Price which each New Preferred Stockholder shall be entitled to receive upon the occurrence of a Special Liquidation under this Section B.4(i) and (B) the extent to which the Corporation will, if at all, be legally prohibited from paying each holder of New Preferred Stock the Special Liquidation Price.

5. Definition of "Event of Sale" and "Shell Company Successor". For purposes of this Part B of Article III, an "Event of Sale" shall mean: (A) the sale by the stockholders of voting control of the Corporation, (B) the merger, consolidation or reorganization with or into any other corporation, entity or person or any other corporate reorganization, in which (I) the capital stock of the Corporation immediately prior to such merger, consolidation or reorganization represents less than 50% of the voting power of the surviving entity (or, if the surviving entity is a wholly owned subsidiary, its parent) immediately after such merger, consolidation or reorganization or (II) the surviving entity (or, if the surviving entity is a wholly owned subsidiary, its parent) has a class of securities that is (or has been within 90 days prior to such transaction) tradeable on any public market or exchange or (C) the sale, exclusive license or other disposition of all or substantially all of the assets or intellectual property of the Corporation in a single transaction or series of related transactions. Notwithstanding the foregoing and for purposes of clarification, the term "Event of Sale" shall not include any transaction involving the Corporation and the Shell Company Successor that is described in clause (iii) of the Shell Company Successor definition set forth below. "Shell Company Successor" means a shell company that (i) has securities registered under the Securities Exchange Act of 1934, as amended, (ii) has nominal operations and nominal assets (prior to any of the transactions described in clause (iii)) and (iii) directly or indirectly through one or more direct or indirect subsidiaries acquires the Corporation and/or all or substantially all of its assets or business (whether pursuant to a stock purchase, an asset purchase, a merger or any other similar transaction), and in consideration for such acquisition issues to the former stockholders of the Corporation shares of capital stock of such shell company.

6. Voting.

(a) Subject to any separate voting rights provided for herein or otherwise required by law, the holders of New Preferred Stock shall be entitled to vote, together with the holders of Common Stock as one class, on all matters as to which holders of Common Stock shall be entitled to vote, in the same manner and with the same effect as such holders of Common Stock. In any such vote, each share of

New Preferred Stock shall entitle the holder thereof to the number of votes per share that equals the number of shares of Common Stock (including fractional shares) into which each such share of New Preferred Stock is then convertible, rounded up to the nearest one-tenth of a share, but not including any shares of Common Stock issuable upon conversion of any dividends accrued on such New Preferred Stock.

(b) In addition to the rights specified in Section B.6(a):

(i) for so long as any shares of Series A-1 Stock are outstanding, the holders of a majority of the shares of Series A-1 Stock outstanding, voting as a separate class, shall have the right to elect two (2) members of the Board of Directors of the Corporation; and

(ii) Oxford Bioscience Partners IV L.P. (including for this purpose, members of the Oxford/Saints Group (as defined in the Stockholders' Agreement), HealthCare Ventures or Wellcome Trust (collectively, the "G3 Holders") voting as a separate class shall have the right to elect one (1) member of the Board of Directors of the Corporation by majority vote of the shares of Series A-1 Stock held by them; provided, however, that in order to be eligible to vote or consent with respect to the election of such member of the Board of Directors, a G3 Holder together with members of such G3 Holders' Group (as defined in the Stockholders' Agreement) must hold greater than twenty percent (20%) of the shares of Series A-1 Stock purchased under the Series A-1 Stock Purchase Agreement by such G3 Holder and the members of such G3 Holders' Group; and

(iii) MPM Capital L.P., voting as a separate class, shall have the right to elect one (1) member of the Board of Directors of the Corporation by majority vote of the shares of Series A-1 Stock held by MPM Capital L.P.; provided that such member of the Board of Directors shall be an individual with particular expertise in the development of pharmaceutical products; and, provided, further, that in order to be eligible to vote or consent with respect to the election of such member of the Board of Directors, MPM Capital L.P. together with members of the MPM Group (as defined in the Stockholders' Agreement) must hold greater than twenty percent (20%) of the shares of Series A-1 Stock purchased under the Series A-1 Stock Purchase Agreement by MPM Capital L.P. and the members of the MPM Group.

(iv) The members of the Board of Directors elected by the Series A-1 Stockholders, the G3 Holders and MPM Capital L.P. pursuant to this Section B.6(b) are referred to herein as the "New Preferred Directors".

(c) In any election of New Preferred Directors pursuant to Section B.6(b), each holder of New Preferred Stock eligible to participate in the election of New Preferred Directors shall be entitled to one vote for each share of Common Stock (including fractional shares) into which each such share of New Preferred Stock held by such holder is then convertible, rounded up to the nearest one-tenth of a share (determined as set forth in the second sentence of Section B.6(a) hereof), and no holder of New Preferred Stock shall be entitled to cumulate its votes by giving one candidate more than one vote per share. The voting right of the Series A-1 Stockholders, the G3 Holders and the MPM Holder contained in Section B.6(b), may be exercised at a special meeting of the applicable holders of New Preferred Stock called as provided in accordance with the by-laws of the Corporation, at any annual or special meeting of the stockholders of the Corporation, or by written consent of such applicable holders of New Preferred Stock in lieu of a meeting. The New Preferred Directors elected pursuant to Section B.6(b) shall serve from the date of their election and qualification until their successors have been duly elected and qualified. The number of directors constituting the entire membership of the Board of Directors of the Corporation shall be set by the Board of Directors pursuant to the By-Laws of the Corporation.

(d) A vacancy in the directorships elected by the Series A-1 Stockholders, the G3 Holders or the MPM Holder pursuant to Section B.6(b), may be filled by a vote at a meeting called in accordance with the by-laws of the Corporation or written consent in lieu of such meeting of the applicable holders of New Preferred Stock, respectively or by the remaining directors as provided in the by-laws of the Corporation.

(e) The holders of capital stock of the corporation, voting as a single class, shall elect the remaining member or members of the Board of Directors of the Corporation. In any election of directors pursuant to this Section B.6(e), each stockholder shall be entitled to one vote for each share of Common Stock held or, if New Preferred Stock, into which each such share of New Preferred Stock is then convertible (determined in accordance with Section B.6(a) hereof), and no stockholder shall be entitled to cumulate its votes by giving one candidate more than one vote per share. The voting right of the stockholders contained in this Section B.6(e) may be exercised at a special meeting of the stockholders called as provided in accordance with the by-laws of the Corporation, at any annual or special meeting of the stockholders of the Corporation, or by written consent of the stockholder in lieu of a meeting. The director or directors elected pursuant to this Section B.6(e) shall serve from the date of their election and qualification until their successors have been duly elected and qualified.

(f) A vacancy in the directorship or directorships elected by the stockholders pursuant to Section B.6(e), may be filled by a vote at a meeting called in accordance with the by-laws of the Corporation or written consent in lieu of such meeting of the stockholders of the Corporation or by the remaining directors as provided in the by-laws of the Corporation.

(g) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of the New Senior Majority acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each Series A-1 Stockholder, Series A-2 Stockholder and Series A-3 Stockholder to do the following:

(i) authorize, create, designate, issue or sell any class or series of capital stock (including any shares of treasury stock) or rights, options, warrants or other securities convertible into or exercisable or exchangeable for capital stock which by its terms is convertible into or exchangeable for any equity security, other then Excluded Stock, which, as to the payment of dividends or distribution of assets, including without limitation distributions to be made upon a Liquidation, is senior to or on a parity with the Series A-1 Stock; or

(ii) amend, alter or repeal any provision of this Certificate; or

(iii) permit, approve or agree to any Liquidation, Event of Sale, dissolution or winding up of the Corporation.

The foregoing approval shall be obtained in addition to any approval required by law.

(h) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of holders of a majority of the then outstanding shares of Series A-1 Stock, acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or

by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each holder of such Series A-1 Stock, amend, alter or repeal any provision of this Certificate if such amendment, alteration or repeal would (i) alter or change the rights, preferences or privileges of the Series A-1 Stock in a manner that materially adversely affects the Series A-1 Stock and such amendment does not change or alter the comparable rights, preferences or privileges of any other series of New Preferred Stock in a manner that materially adversely affects such other series of New Preferred Stock or (ii) increases or decreases the authorized number of shares of Series A-1 Stock. The foregoing approval shall be obtained in addition to any approval required by law. For purposes of clarification, the creation, authorization or issuance of any new class or series of capital stock of the Corporation having rights, preferences or privileges senior to or on a parity with the Series A-1 Stock (and any amendment to the certificate of incorporation of the Company for purposes of creating or authorizing such new class or series of capital stock) shall not be deemed or treated as materially adversely affecting the Series A-1 Stock.

(i) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of holders of a majority of the then outstanding shares of Series A-2 Stock, acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each holder of such Series A-2 Stock, amend, alter or repeal any provision of this Certificate if such amendment, alteration or repeal would (i) alter or change the rights, preferences or privileges of the Series A-2 Stock in a manner that materially adversely affects the Series A-2 Stock and such amendment does not change or alter the comparable rights, preferences or privileges of any other series of New Preferred Stock in a manner that materially adversely affects such other series of New Preferred Stock or (ii) increases or decreases the authorized number of shares of Series A-2 Stock. The foregoing approval shall be obtained in addition to any approval required by law. For purposes of clarification, the creation, authorization or issuance of any new class or series of capital stock of the Corporation having rights, preferences or privileges senior to or on a parity with the Series A-2 Stock (and any amendment to the certificate of incorporation of the Company for purposes of creating or authorizing such new class or series of capital stock) shall not be deemed or treated as materially adversely affecting the Series A-2 Stock.

(j) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of holders of a majority of the then outstanding shares of Series A-3 Stock, acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each holder of such Series A-3 Stock, amend, alter or repeal any provision of this Certificate if such amendment, alteration or repeal would (i) alter or change the rights, preferences or privileges of the Series A-3 Stock in a manner that materially adversely affects the Series A-3 Stock and such amendment does not change or alter the comparable rights, preferences or privileges of any other series of New Preferred Stock in a manner that materially adversely affects such other series of New Preferred Stock or (ii) increases or decreases the authorized number of shares of Series A-3 Stock. The foregoing approval shall be obtained in addition to any approval required by law. For purposes of clarification, the creation, authorization or issuance of any new class or series of capital stock of the Corporation having rights, preferences or privileges senior to or on a parity with the Series A-3 Stock (and any amendment to the certificate of incorporation of the Company for purposes of creating or authorizing such new class or series of capital stock) shall not be deemed or treated as materially adversely affecting the Series A-3 Stock.

(k) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of holders of a majority of the then outstanding shares of Series A-4 Stock, acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each holder of such Series A-4 Stock, amend, alter or repeal any provision of this Certificate if such amendment, alteration or repeal would (i) alter or change the rights, preferences or privileges of the Series A-4 Stock in a manner that materially adversely affects the Series A-4 Stock and such amendment does not change or alter the comparable rights, preferences or privileges of any other series of New Preferred Stock in a manner that materially adversely affects such other series of New Preferred Stock or (ii) increases or decreases the authorized number of shares of Series A-4 Stock. The foregoing approval shall be obtained in addition to any approval required by law. For purposes of clarification, the creation, authorization or issuance of any new class or series of capital stock of the Corporation having rights, preferences or privileges senior to or on a parity with the Series A-4 Stock (and any amendment to the certificate of incorporation of the Company for purposes of creating or authorizing such new class or series of capital stock) shall not be deemed or treated as materially adversely affecting the Series A-4 Stock.

(l) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the

affirmative approval of holders of a majority of the then outstanding shares of Series A-5 Stock, acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each holder of such Series A-5 Stock, amend, alter or repeal any provision of this Certificate if such amendment, alteration or repeal would (i) alter or change the rights, preferences or privileges of the Series A-5 Stock in a manner that materially adversely affects the Series A-5 Stock and such amendment does not change or alter the comparable rights, preferences or privileges of any other series of New Preferred Stock in a manner that materially adversely affects such other series of New Preferred Stock or (ii) increases or decreases the authorized number of shares of Series A-5 Stock. The foregoing approval shall be obtained in addition to any approval required by law. For purposes of clarification, the creation, authorization or issuance of any new class or series of capital stock of the Corporation having rights, preferences or privileges senior to or on a parity with the Series A-5 Stock (and any amendment to the certificate of incorporation of the Company for purposes of creating or authorizing such new class or series of capital stock) shall not be deemed or treated as materially adversely affecting the Series A-5 Stock.

(m) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of holders of a majority of the then outstanding shares of Series A-6 Stock, acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each holder of such Series A-6 Stock, amend, alter or repeal any provision of this Certificate if such amendment, alteration or repeal would (i) alter or change the rights, preferences or privileges of the Series A-6 Stock in a manner that materially adversely affects the Series A-6 Stock and such amendment does not change or alter the comparable rights, preferences or privileges of any other series of New Preferred Stock in a manner that materially adversely affects such other series of New Preferred Stock or (ii) increases or decreases the authorized number of shares of Series A-6 Stock. The foregoing approval shall be obtained in

addition to any approval required by law. For purposes of clarification, the creation, authorization or issuance of any new class or series of capital stock of the Corporation having rights, preferences or privileges senior to or on a parity with the Series A-6 Stock (and any amendment to the certificate of incorporation of the Company for purposes of creating or authorizing such new class or series of capital stock) shall not be deemed or treated as materially adversely affecting the Series A-6 Stock.

(n) The Corporation shall obtain the consent of the Board of Directors before it may authorize or issue any additional shares of capital stock of the Corporation or any of its subsidiaries.

7. Conversion.

(a) Any New Preferred Stockholder shall have the right, at any time or from time to time, to convert any or all of its shares of New Preferred Stock into that number of fully paid and nonassessable shares of Common Stock for each share of New Preferred Stock so converted equal to the quotient of the Series A-1 Original Purchase Price, Series A-2 Original Purchase Price, Series A-3 Original Purchase Price, Series A-4 Original Purchase Price, Series A-6 Original Purchase Price or Series A-6 Original Purchase Price, as applicable, for such share divided by the Series A-1 Conversion Price, the Series A-2 Conversion Price, Series A-3 Conversion Price, Series A-4 Conversion Price, Series A-5 Conversion Price or the Series A-6 Conversion Price (each as defined in Section B.7(e)(i) hereof), as applicable, for such share of New Preferred Stock, as last adjusted and then in effect, rounded up to the nearest one-tenth of a share; provided, however, that cash shall be paid in lieu of the issuance of fractional shares of Common Stock, as provided in Section B.7(d) hereof.

(b) (i) Any New Preferred Stockholder who exercises the right to convert shares of New Preferred Stock into shares of Common Stock pursuant to this Section B.7 shall be entitled to payment of all accrued dividends, whether or not declared and all declared but unpaid dividends payable with respect to such New Preferred Stock pursuant to Section B.3 herein, up to and including the Conversion Date (as defined in Section B.7(b)(iii) hereof).

(ii) Any New Preferred Stockholder may exercise the right to convert such shares into Common Stock pursuant to this Section B.7 by delivering to the Corporation during regular business hours, at the office of the Corporation or any transfer agent of the Corporation or at such other place as may be designated by the Corporation, the certificate or certificates for the shares to be converted (the "New Preferred Certificate"), duly endorsed or assigned in blank to the Corporation (if required by it) or an affidavit of loss as to the same.

(iii) Each New Preferred Certificate shall be accompanied by written notice stating that such holder elects to convert such shares and stating the name or names (with address) in which the certificate or certificates for the shares of Common Stock (the "Common Certificate") are to be issued. Such conversion shall be deemed to have been effected on the date when such delivery is made, and such date is referred to herein as the "Conversion Date."

(iv) As promptly as practicable thereafter, the Corporation shall issue and deliver to or upon the written order of such holder, at the place designated by such holder, (A) a Common Certificate for the number of full shares of Common Stock to which such holder is entitled and (B) a check or cash in respect of any fractional interest in shares of Common Stock to which such holder is entitled, as provided in Section B.7(d) hereof, payable with respect to the shares so converted up to and including the Conversion Date.

(v) The person in whose name the Common Certificate or Certificates are to be issued shall be deemed to have become a holder of record of Common Stock on the applicable

Conversion Date, unless the transfer books of the Corporation are closed on such Conversion Date, in which event the holder shall be deemed to have become the stockholder of record on the next succeeding date on which the transfer books are open, provided that the Series A-1 Conversion Price, the Series A-2 Conversion Price, Series A-3 Conversion Price, Series A-4 Conversion Price, the Series A-5 Conversion Price or the Series A-6 Conversion Price, as applicable, upon which the conversion shall be executed shall be that in effect on the Conversion Date.

(vi) Upon conversion of only a portion of the number of shares covered by a New Preferred Certificate, the Corporation shall issue and deliver to or upon the written order of the holder of such New Preferred Certificate, at the expense of the Corporation, a new certificate covering the number of shares of New Preferred Stock representing the unconverted portion of the New Preferred Certificate, which new certificate shall entitle the holder thereof to all the rights, powers and privileges of a holder of such New Preferred Stock.

(c) If a New Preferred Stockholder shall surrender more than one share of the same class of New Preferred Stock for conversion at any one time, then the number of full shares of Common Stock issuable upon conversion thereof shall be computed on the basis of the aggregate number of shares of New Preferred Stock so surrendered.

(d) No fractional shares of Common Stock shall be issued upon conversion of New Preferred Stock. The Corporation shall instead pay a cash adjustment for any such fractional interest in an amount equal to the Current Market Price thereof on the Conversion Date, as determined in accordance with Section B.7(e)(vi) hereof.

(e) For all purposes of this Article III, Part B, the initial conversion price of the Series A-1 Stock shall be the Series A-1 Original Purchase Price, the initial conversion price of the Series A-2 Stock shall be the Series A-2 Original Purchase Price, the initial conversion price of the Series A-3 Stock shall be the Series A-3 Original Purchase Price, the initial conversion price of the Series A-4 Stock shall be the Series A-4 Original Purchase Price, the initial conversion price of the Series A-5 Stock shall be the Series A-5 Original Purchase Price, and the initial conversion price of the Series A-6 Stock shall be the Series A-6 Original Purchase Price, in each case subject to adjustment from time to time as follows (the conversion price of any or each of the Series A-1 Stock, the Series A-2 Stock, the Series A-3 Stock, the Series A-4 Stock, the Series A-5 Stock and the Series A-6 Stock is sometimes referred to generically in this Section B.7 as the "Conversion Price"):

(i) Subject to Section B.7(e)(ii) and B.7(e)(x) below, if the Corporation shall, at any time or from time to time after the Series A-1 Original Issuance Date, issue or sell any shares of Common Stock (which term, for purposes of this Section B.7(e)(i), including all subsections thereof, shall be deemed to include all other securities convertible into, or exchangeable or exercisable for, shares of Common Stock (including, but not limited to, Preferred Stock) or options to purchase or other rights to subscribe for such convertible or exchangeable securities, in each case other than Excluded Stock (as defined in Section B.7(e)(ii) below), for a consideration per share less than the Series A-1 Conversion Price in effect immediately prior to the issuance of such Common Stock or other securities (a "New Dilutive Issuance"), then (X) the Conversion Price of the Series A-1 Stock (the "Series A-1 Conversion Price") in effect immediately prior to each such New Dilutive Issuance shall automatically be reduced to a price equal to the product obtained by multiplying such Series A-1 Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for the additional stock so issued would purchase at

such Series A-1 Conversion Price as in effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of additional stock so issued, (Y) the Conversion Price for the Series A-2 Stock (the "Series A-2 Conversion Price") in effect immediately prior to each such New Dilutive Issuance shall automatically be reduced to a price equal to the product obtained by multiplying such Series A-2 Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for the additional stock so issued would purchase at such Series A-2 Conversion Price as in effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of additional stock so issued, and (Z) the Conversion Price for the Series A-3 Stock (the "Series A-3 Conversion Price") in effect immediately prior to each such New Dilutive Issuance shall automatically be reduced to a price equal to the product obtained by multiplying such Series A-3 Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for the additional stock so issued would purchase at such Series A-3 Conversion Price as in effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of additional stock so issued. For purposes of this Section B.7(e)(i), the number of shares of Common Stock deemed issuable upon conversion of such outstanding shares of Existing Preferred Stock shall be determined without giving effect to any adjustments to the applicable Conversion Price resulting from the New Dilutive Issuance that is the subject of this calculation. For purposes of Part B of this Certificate, the term "Series A-4 Conversion Price" shall mean the Conversion Price of the Series A-4 Stock, the term "Series A-5 Conversion Price" shall mean the Conversion Price of the Series A-5 Stock and the term "Series A-6 Conversion Price" shall mean the Conversion Price of the Series A-6 Stock. For the purposes of any adjustment of the Conversion Price pursuant to this Section B.7(e)(i), the following provisions shall be applicable.

a. In the case of the issuance of Common Stock in whole or in part for cash, the consideration shall be deemed to be the amount of cash paid therefor after deducting therefrom any discounts, commissions or other expenses allowed, paid or incurred by the Corporation for any underwriting or otherwise in connection with the issuance and sale thereof, plus the value of any property other than cash received by the Corporation, determined as provided in Section B.7(e)(i)(b) hereof, plus the value of any other consideration received by the Corporation determined as set forth in Section B.7(e)(i)(c) hereof.

b. In the case of the issuance of Common Stock for a consideration in whole or in part in property other than cash, the value of such property other than cash shall be deemed to be the fair market value of such property as determined in good faith by the Board of

Directors, irrespective of any accounting treatment; provided, however, that such fair market value of such property as determined by the Board of Directors shall not exceed the aggregate Current Market Price (as defined in Section B.7(e)(viii) hereof) of the shares of Common Stock or such other securities being issued, less any cash consideration paid for such shares, determined as provided in Section B.7(e)(i)(a) hereof and less any other consideration received by the Corporation for such shares, determined as set forth in Section B.7(e)(i)(c) hereof.

c. In the case of the issuance of Common Stock for consideration in whole or in part other than cash or property, the value of such other consideration shall be deemed to be the aggregate par value of such Common Stock (or the aggregate stated value if such Common Stock has no par value).

d. In the case of the issuance of options or other rights to purchase or subscribe for Common Stock or the issuance of securities by their terms convertible into or exchangeable or exercisable for Common Stock or options to purchase or other rights to subscribe for such convertible or exchangeable or exercisable securities:

i. the aggregate maximum number of shares of Common Stock deliverable upon exercise of such options to purchase or rights to subscribe for Common Stock shall be deemed to have been issued at the time such options or rights were issued and for a consideration equal to the consideration (determined in the manner provided in Sections B.7(e)(i)(a), (b) and (c) hereof), if any, received by the Corporation upon the issuance of such options or rights plus the minimum purchase price provided in such options or rights for the Common Stock covered thereby (the consideration in each case to be determined in the manner provided in Sections B.7(e)(i)(a), (b) and (c) hereof);

ii. the aggregate maximum number of shares of Common Stock deliverable upon conversion of, or in exchange for, any such convertible or exchangeable securities or upon the exercise of options to purchase or rights to subscribe for such convertible or exchangeable securities and subsequent conversion or exchange thereof shall be deemed to have been issued at the time such securities were issued or such options or rights were issued and for a consideration equal to the consideration received by the Corporation for any such securities and related options or rights (excluding any cash received on account of accrued interest or accrued dividends), plus the minimum additional consideration, if any, to be received by the Corporation upon the conversion or exchange of such securities or the exercise of any related options or rights (the consideration in each case to be determined in the manner provided in Sections B.7(e)(i)(a), (b) and (c) hereof);

iii. if there is any change (whether automatic pursuant to the terms contained therein or as a result of the amendment of such terms) in the exercise price of, or number of shares deliverable upon exercise of, any such options or rights or upon the conversion or exchange of any such convertible or exchangeable securities (other than a change resulting from the original antidilution provisions thereof in place at the time of issuance of such security), then the applicable Conversion Price shall automatically be readjusted in proportion to such change (notwithstanding the foregoing, no adjustment pursuant to this clause shall have the effect of increasing the applicable Conversion Price to an amount which exceeds the lower of (i) the applicable Conversion Price on the original adjustment date, or (ii) the applicable Conversion Price that would have resulted from any Dilutive Issuances between the original adjustment date and such readjustment date);

iv. upon the expiration of any such options or rights or the termination of any such rights to convert or exchange such convertible or exchangeable securities (or in the event that the change that precipitated an adjustment pursuant to Section

B.7(e)(i)(d)(iii) hereof is reversed or terminated, or expires), then the applicable Conversion Price shall be automatically readjusted to the applicable Conversion Price that would have been obtained had such options, rights or convertible or exchangeable securities not been issued; and

v. if the terms of any option or convertible security (excluding options or convertible securities which, upon exercise, conversion or exchange thereof, would entitle the holder thereof to receive shares of Common Stock which are Excluded Stock), the issuance of which was not a New Dilutive Issuance, are revised after the Series A-1 Original Issuance Date (either automatically pursuant the provisions contained therein or as a result of an amendment to such terms) to provide for either (1) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such option or convertible security or (2) any decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such option or convertible security, as so amended, and the shares of Common Stock subject thereto shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(ii) "Excluded Stock" shall mean:

a. Common Stock issued upon conversion of any shares of Preferred Stock, including any shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock;

b. Common Stock issued or issuable to officers, directors or employees of or consultants or independent contractors to the Corporation, pursuant to any written agreement, plan or arrangement to purchase, or rights to subscribe for, such Common Stock, including Common Stock issued under the Corporation' s 2003 Long-Term Incentive Plan, as amended, or other equity incentive plan or other agreements that have been approved in form and in substance by the New Senior Majority, calculated in accordance with Section B.6(a) of Article III herein (including, in such calculation, any outstanding restricted stock awards held by such holders), and which, as a condition precedent to the issuance of such shares, provide for the vesting of such shares and subject such shares to restrictions on transfer and rights of first offer in favor of the Corporation, and restricted stock grants to directors, employees or consultants as approved by the Board of Directors of the Corporation; provided, however, that the maximum number of shares of Common Stock heretofore or hereafter issuable pursuant to the Corporation' s 2003 Long-Term Incentive Plan, as amended, and all such agreements, plans and arrangements shall not exceed 2,015,666 shares of Common Stock;

c. Common Stock issued as a stock dividend or distribution on the Preferred Stock payable in shares of Common Stock, or capital stock of any other class issuable upon any subdivision, recombination, split-up or reverse stock split of all the outstanding shares of such class of capital stock;

d. Common Stock or other securities issued or issuable to banks, lenders or landlords, provided that each such issuance is approved by the Board of Directors, including, but not limited to, warrants to acquire Common Stock held by Silicon Valley Bank (or its affiliates, successors and assignees), warrants to purchase Preferred Stock issued or to be issued to GE Healthcare Financial Services, Inc. ("GEHFS") and Oxford Finance Corporation ("OFC") pursuant to a proposed debt financing approved by the Board of Directors (the "GE Financing"), shares of Preferred Stock issued or issuable to GE in connection with the GE Financing or upon exercise by GEHFS or OFC of warrants issued in the GE Financing and shares of common stock issuable upon conversion of any such shares of Preferred Stock issued to GEHFS or OFC pursuant to the GE Financing;

e. Common Stock or other securities issued or issuable to third parties in connection with strategic partnerships or alliances, corporate partnerships, joint ventures or other licensing transactions, provided that each such transaction and related issuance is approved by the Board of Directors, including, but not limited to, (A) any shares of Preferred Stock or Common Stock issued or issuable to Ipsen Pharma SAS ("Ipsen"), pursuant to the terms of that certain License Agreement, as amended and may be amended with the approval of the Board of Directors of the Corporation and in effect from time to time, by and between the

Corporation and Ipsen as payment for milestones in lieu of cash payments and (B) shares of Series A-5 Stock issued or issuable pursuant to that certain Stock Issuance Agreement as of March 29, 2011 by and between the Corporation and Nordic Bioscience and the letter agreement as of March 29, 2011 by and between the Corporation and Nordic Bioscience, pursuant to which the Corporation will issue shares of the Corporation' s Series A-5 Convertible Preferred Stock, $0.01 par value per share and the issuance of Series A-6 Stock issued or to be issued as dividends on such Series A-5 Stock, and shares of Common Stock issuable upon conversion of any such shares of Series A-5 Stock and Series A-6 Stock;

f. Common Stock or other securities issued or issuable pursuant to the acquisition by the Corporation of any other corporation, partnership, joint venture, trust or other entity by any merger, stock acquisition, reorganization, or purchase of substantially all assets or otherwise in which the Corporation or its stockholders of record immediately prior to the effective date of such transaction, directly or indirectly, own at least a majority of the voting power of the acquired entity or the resulting entity after such transaction, in each case so long as approved by the Board of Directors;

g. Common Stock or other securities, the issuance of which is approved by the New Senior Majority, with such approval expressly waiving the application of the anti-dilution provisions of this Section B.7 as a result of such issuance;

h. Preferred Stock or Common Stock issued or issuable pursuant to any warrant outstanding as of the date hereof or any warrant and any shares of Preferred Stock or common stock, or common stock issued upon exercise of any Preferred Stock, issued in connection with the Qualified Financing, including, but not limited to a warrant for shares of Series A-1 Preferred Stock issued or issuable to Leerink Swan, any shares of Preferred Stock or Common Stock upon exercise thereof and any Common Stock issuable upon conversion of such Preferred Stock issued upon exercise thereof; and

i. All shares of New Preferred Stock and Common stock issued in connection with the Qualified Financing as provided in this Certificate and the Series A-1 Purchaser Agreement, and all shares of Common Stock issued or issuable upon conversion of any such shares of New Preferred Stock.

(iii) If the number of shares of Common Stock outstanding at any time after the Series A-1 Original Issuance Date (as defined in Section B.8) is increased by a stock dividend payable in shares of Common Stock or by a subdivision or split-up of shares of Common Stock, then, following the record date fixed for the determination of holders of Common Stock entitled to receive such stock dividend, subdivision or split-up, the applicable Conversion Price shall be appropriately decreased in the form of a Proportional Adjustment (as defined in Section B.8) so that the number of shares of Common Stock issuable on conversion of each share of New Preferred Stock shall be increased in proportion to such increase in outstanding shares.

(iv) If the number of shares of Common Stock outstanding at any time after the Series A-1 Original Issuance Date is decreased by a combination of the outstanding shares of Common Stock

(other than pursuant to the Reverse Split), then, following the record date for such combination, the applicable Conversion Price shall be appropriately increased in the form of a Proportional Adjustment so that the number of shares of Common Stock issuable on conversion of each share of New Preferred Stock shall be decreased in proportion to such decrease in outstanding shares.

(v) Except as otherwise contemplated in the Series A-1 Purchase Agreement, if at any time after the Series A-1 Original Issuance Date, the Corporation shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation (other than shares of Common Stock) or in cash or other property, then and in each such event provision shall be made so that the holders of the New Preferred Stock shall receive upon conversion thereof in addition to the number of shares of Common Stock receivable thereupon, the kind and amount of securities of the Corporation, cash or other property which they would have been entitled to receive had the New Preferred Stock been converted into Common Stock on the date of such event and had they thereafter, during the period from the date of such event to and including the conversion date, retained such

securities receivable by them as aforesaid during such period, giving application to all adjustments called for during such period under this paragraph with respect to the rights of the holders of the New Preferred Stock; and provided further, however, that no such adjustment shall be made if the holders of New Preferred Stock simultaneously receive a dividend or other distribution of such securities, cash, or other property in an amount equal to the amount of such securities, cash, or other property as they would have received if all outstanding shares of New Preferred Stock had been converted into Common Stock on the date of such event.

(vi) Subject to the provisions of Section B.4(i) above, in the event, at any time after the Series A-1 Original Issuance Date, of any capital reorganization, or any reclassification of the capital stock of the Corporation (other than pursuant to the Reverse Split, other than as contemplated under this Certificate and the Series A-1 Purchase Agreement and other than a change in par value or from par value to no par value or from no par value to par value or as a result of a stock dividend or subdivision, split-up or combination of shares), or the consolidation or merger of the Corporation with or into another person (other than pursuant to the Merger Agreement and other than a consolidation or merger in which the Corporation is the continuing corporation and which does not result in any change in the powers, designations, preferences and rights, or the qualifications, limitations or restrictions, if any, of the capital stock of the Corporation) or of the sale or other disposition of all or substantially all the properties and assets of the Corporation in their entirety to any other person (any such transaction, an "Extraordinary Transaction"), then the Corporation shall provide appropriate adjustment in the form of a Proportional Adjustment to the applicable Conversion Price with respect to each share of New Preferred Stock outstanding after the effectiveness of such Extraordinary Transaction such that each share of New Preferred Stock outstanding immediately prior to the effectiveness of the Extraordinary Transaction shall be convertible into the kind and number of shares of stock or other securities or property of the Corporation, or of the corporation resulting from or surviving such Extraordinary Transaction, that a holder of the number of shares of Common Stock deliverable (immediately prior to the effectiveness of the Extraordinary Transaction) upon conversion of such share of New Preferred Stock would have been entitled to receive upon such Extraordinary Transaction. The provisions of this Section B.7(e)(vi) shall similarly apply to successive Extraordinary Transactions.

(vii) All calculations under this Section B.7(e) shall be made to the nearest one-tenth of a cent ($.001) or to the nearest one-tenth of a share, as the case may be.

(viii) For the purpose of any computation pursuant to Section B.7(d), Section B.3(a) hereof or this Section B.7(e), the "Current Market Price" at any date of one share of Common Stock shall be defined as the average of the daily closing prices for the 20 consecutive Business Days ending on the fifth (5th) Business Day before the day in question (as adjusted for any stock dividend, split-up,

combination or reclassification that took effect during such 20 Business Day period), determined as follows:

a. If the Common Stock is listed or admitted for trading on a national securities exchange, then the closing price for each day shall be the last reported sales price regular way or, in case no such reported sales took place on such day, the average of the last reported bid and asked prices regular way, in either case on the principal national securities exchange on which the Common Stock is listed or admitted to trading.

b. If the Common Stock is not at the time listed or admitted for trading on any such exchange, then such price shall be equal to the last reported bid and asked prices on such day as reported by the NASD OTCBB or the National Quotation Bureau, Inc., or any similar reputable quotation and reporting service if such quotation is not reported by the NASD OTCBB or the National Quotation Bureau, Inc.

c. If the Common Stock is not traded in such manner that the quotations referred to in this Section B.7(d)(viii) are available for the period required hereunder, then the Current Market Price shall be the fair market value of such share, as determined in good faith by a majority of the entire Board of Directors.

(ix) In any case in which the provisions of this Section B.7(e) shall require that an adjustment shall become effective immediately after a record date for an event, the Corporation may defer until the occurrence of such event (A) issuing to the holder of any

shares of New Preferred Stock converted after such record date and before the occurrence of such event the additional shares of capital stock issuable upon such conversion by reason of the adjustment required by such event over and above the shares of capital stock issuable upon such conversion before giving effect to such adjustment, and (B) paying to such holder any cash amounts in lieu of fractional shares pursuant to Section B.7(d) hereof; provided, however, that the Corporation shall deliver to such holder a due bill or other appropriate instrument evidencing such holder' s right to receive such additional shares and such cash upon the occurrence of the event requiring such adjustment.

(x) If a state of facts shall occur that, without being specifically controlled by the provisions of this Section B.7, would not fairly protect the conversion rights of the holders of the New Preferred Stock in accordance with the essential intent and principles of such provisions, then the Board of Directors shall make an adjustment in the application of such provisions, in accordance with such essential intent and principles, so as to protect such conversion rights.

(f) Whenever the applicable Conversion Price shall be adjusted as provided in Section B.7(e) hereof, the Corporation shall forthwith file and keep on record at the office of the Secretary of the Corporation and at the office of its transfer agent or at such other place as may be designated by the Corporation, a statement, signed by both its President or Chief Executive Officer and its Treasurer or Chief Financial Officer, showing in detail the facts requiring such adjustment and the applicable Conversion Price that shall be in effect after such adjustment. The Corporation shall also cause a copy of such statement to be sent by first-class, certified mail, return receipt requested, postage prepaid, to each New Preferred Stockholder at such holder' s address appearing on the Corporation' s records. Where appropriate, such copy shall be given in advance of any such adjustment and shall be included as part of a notice required to be mailed under the provisions of Section B.7(g) hereof.

(g) In the event the Corporation shall propose to take any action of the types described in Section B.7(e)(i), (iii), (iv) or (v) hereof, or any other Event of Sale, other then the transactions contemplated by the Series A-1 Purchase Agreement and the Merger Agreement, the Corporation shall give

notice to each New Preferred Stockholder in the manner set forth in Section B.7(f) hereof, which notice shall specify the record date, if any, with respect to any such action and the date on which such action is to take place. Such notice shall also set forth such facts with respect thereto as shall be reasonably necessary to indicate the effect of such action (to the extent such effect may be known at the date of such notice) on the applicable Conversion Price with respect to the New Preferred Stock, and the number, kind or class of shares or other securities or property which shall be deliverable or purchasable upon each conversion of New Preferred Stock. In the case of any action (other than any action contemplated or required by the Series A-1 Purchase Agreement or Merger Agreement) that would require the fixing of a record date, such notice shall be given at least 20 days prior to the record date so fixed, and in the case of any other action, such notice shall be given at least 30 days prior to the taking of such proposed action.

(h) The Corporation shall pay all documentary, stamp or other transactional taxes attributable to the issuance or delivery of shares of capital stock of the Corporation upon conversion of any shares of New Preferred Stock; provided, however, that the Corporation shall not be required to pay any taxes which may be payable in respect of any transfer involved in the issuance or delivery of any certificate for such shares in a name other than that of the New Preferred Stockholder in respect of which such shares of New Preferred Stock are being issued.

(i) The Corporation shall reserve out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the New Preferred Stock, sufficient shares of Common Stock to provide for the conversion of all outstanding shares of New Preferred Stock.

(j) All shares of Common Stock which may be issued in connection with the conversion provisions set forth herein will, upon issuance by the Corporation, be validly issued, fully paid and nonassessable, not subject to any preemptive or similar rights, and free from all taxes, liens or charges with respect thereto created or imposed by the Corporation.

8. Definitions. As used in this Part B of Article III of this Certificate, the following terms shall have the corresponding meanings:

"Business Day" shall mean any day other than a Saturday, Sunday or day on which banks are closed in the city and state where the principal executive office of the Corporation is located.

"Series A-1 Original Issuance Date" shall mean the date of issuance by the Corporation of the first share of Series A-1 Stock to be issued by the Corporation.

"Series A-1 Original Purchase Price" shall mean, with respect to the Series A-1 Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section B.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series A-2 Original Purchase Price" shall mean, with respect to the Series A-2 Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section B.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series A-3 Original Purchase Price" shall mean, with respect to the Series A-3 Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section B.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series A-4 Original Purchase Price" shall mean, with respect to the Series A-4 Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section B.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series A-5 Original Purchase Price" shall mean, with respect to the Series A-5 Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section B.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series A-6 Original Purchase Price" shall mean, with respect to the Series A-6 Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section B.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Proportional Adjustment" shall mean an adjustment made to the price of the Preferred Stock upon the occurrence of a stock split, reverse stock split, stock dividend, stock combination reclassification or other similar change with respect to such security, such that the price of one share of the New Preferred Stock before the occurrence of any such change shall equal the aggregate price of the share (or shares or fractional share) of such security (or any other security) received by the holder of the New Preferred Stock with respect thereto upon the effectiveness of such change. Notwithstanding the foregoing, the Reverse Split shall not trigger or give rise to any Proportional Adjustment.

9. Forced Conversion and Forfeiture Upon Failure to Perform Future Funding Obligations Pursuant to the Series A-1 Purchase Agreement.

(a) Trigger Event. In the event that an Investor (as defined in the Series A-1 Purchase Agreement) does not timely and completely fulfill his, her or its Future Funding Obligations (as defined in the Series A-1 Purchase Agreement) in the Qualified Financing pursuant to the terms of Series A-1 Purchase Agreement, then (i) all shares of New Preferred Stock then held by such Investor shall automatically, and without any further action on the part of such Investor, be converted into shares of Common Stock at a rate of 1 share of Common Stock for every 10 shares of New Preferred Stock to be so converted and (ii) the Corporation shall have the right to repurchase and such holders shall be required to sell all shares of Common Stock issued upon conversion (either pursuant to the foregoing clause (i) or otherwise) of all Additional A-1 Preferred Stock (as defined in the Series A-1 Purchase Agreement), all Series A-2 Stock, all Series A-3 Stock

and all Series A-4 Stock issued to such Investor pursuant to the Automatic Reclassification (as defined in the Series A-1 Purchase Agreement) (the "Repurchased Shares") for a per share purchase price equal to the par value of such Repurchased Share and all such Repurchased Shares shall thereafter be cancelled by the Corporation and no longer be issued and outstanding shares of capital stock of the Corporation, in accordance with Section 4(e) of the Series A-1 Purchase Agreement and Section 9.(b) below. The conversion and repurchase of shares to the Corporation set forth in this Section 9.(a) is referred to as a "Subsequent Closing Adjustment".

(b) Procedural Requirements. Upon a Subsequent Closing Adjustment, each holder of shares of New Preferred Stock converted pursuant to Section B.9(a) shall be sent written notice of such Subsequent Closing Adjustment and the place designated for mandatory conversion of all such shares of New Preferred Stock and the repurchase of all Repurchased Shares. Upon receipt of such notice, each holder of such shares of New Preferred Stock and Repurchased Shares shall surrender his, her or its certificate or certificates for all such shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to

indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice. If so required by the Corporation, certificates surrendered for conversion or repurchase shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her or its attorney duly authorized in writing. All rights with respect to the New Preferred Stock so converted or such Repurchased Shares to be repurchased, including the rights, if any, to receive notices and vote (other than as a holder of shares of Common Stock that are not Repurchased Shares), will terminate at the time of the failure to fulfill the obligations of any Closing (as defined in the Series A-1 Purchase Agreement) (notwithstanding the failure of the holder or holders thereof to surrender the certificates for such shares at or prior to such time), except only the rights of the holders thereof, upon surrender of their certificate or certificates therefor (or lost certificate affidavit and agreement), to receive the items provided for in the next sentence of this Section B.9(b). As soon as practicable after the surrender of the certificate or certificates (or lost certificate affidavit and agreement) for New Preferred Stock so converted that is not included among the Repurchased Shares, the Corporation shall issue and deliver to such holder, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof, together with cash as provided in B.7(d) in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and the payment of any declared but unpaid dividends on the shares of New Preferred Stock converted. Such converted New Preferred Stock, together with all Repurchased Shares pursuant to B.9(a)(ii) shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of New Preferred Stock and Common Stock accordingly.

10. Special Mandatory Conversion.

(a) Trigger Events. Each share of New Preferred Stock shall be automatically converted into fully paid and non-assessable shares of Common Stock at the then-effective applicable Conversion Price in the event that (i) the New Senior Majority shall have elected to convert all shares of New Preferred Stock or (2) the Common Stock of the Corporation becomes listed for trading on a national securities exchange. Each of the conversions set forth in this Section B.10(a) is referred to as a "Special Mandatory Conversion." All accrued but unpaid dividends on shares New Preferred Stock shall be paid, in cash or additional shares at the discretion of the Board of Directors, in connection with any Special Mandatory Conversion.

(b) Procedural Requirements. Upon a Special Mandatory Conversion, each holder of shares of New Preferred Stock converted pursuant to Section B.10(a) shall be sent written notice of such Special Mandatory Conversion and the place designated for mandatory conversion of all shares of New Preferred Stock. Upon receipt of such notice, each holder of such shares of New Preferred Stock shall surrender his, her or its certificate or certificates for all such shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice. If so required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her or

its attorney duly authorized in writing. All rights with respect to the New Preferred Stock so converted, including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the time of the Special Mandatory Conversion (notwithstanding the failure of the holder or holders thereof to surrender the certificates for such shares at or prior to such time), except only the rights of the holders thereof, upon surrender of their certificate or certificates therefor (or lost certificate affidavit and agreement), to receive

the items provided for in the next sentence of this Section B.10(b). As soon as practicable after the Special Mandatory Conversion and the surrender of the certificate or certificates (or lost certificate affidavit and agreement) for New Preferred Stock so converted, the Corporation shall issue and deliver to such holder, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof, together with cash as provided in B.7(d) in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and the payment of any declared but unpaid dividends on the shares of New Preferred Stock converted, and a new certificate for the number of shares, if any, of New Preferred Stock represented by such surrendered certificate and not converted pursuant to B.10(a). Such converted New Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of New Preferred Stock accordingly.

(c) Duration of Section. This Section B.10 and the rights and obligations of the parties hereunder shall automatically terminate on the consummation of a Liquidation or an Event of Sale.

PART C. COMMON STOCK

1. Designation and Amount. The number of shares, powers, terms, conditions, designations, preferences and privileges, relative, participating, optional and other special rights, and qualifications, limitations and restrictions of the Common Stock shall be as set forth in this Part C of Article III of this Certificate. The number of authorized shares of Common Stock shall initially be Thirty-four Million Eight Hundred Fifty-nine Thousand Nine Hundred Sixty-four (34,859,964) shares. Such authorized shares of Common Stock may be increased or decreased (but not below the combined number of shares thereof then outstanding and those reserved for issuance upon conversion of the Preferred Stock) by the affirmative vote of the holders of the majority of the stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the Delaware General Corporation Law. The affirmative vote of the holders of shares of Common Stock, voting alone as a class, will not be required in connection therewith.

2. Voting. Except as provided in this Certificate or by applicable law, each Common Stockholder shall be entitled to one vote only for each share of Common Stock held of record on all matters as to which holders of Common Stock shall be entitled to vote, which voting rights shall not be cumulative.

3. Other Rights. Each share of Common Stock issued and outstanding shall be identical in all respects with each other such share, and no dividends shall be paid on any shares of Common Stock unless the same dividend is paid on all shares of Common Stock outstanding at the time of such payment. Except for and subject to those rights expressly granted to the holders of Preferred Stock and except as may be provided by the laws of the State of Delaware, the holders of Common Stock shall have all other rights of stockholders, including, without limitation, (a) the right to receive dividends, when and as declared by the Board of Directors, out of assets lawfully available therefor, and (b) in the event of any distribution of assets upon a Liquidation or Liquidation, after and subject to distribution to the holders of Preferred Stock and any other class or series of capital stock (other than the Common Stock) ranking senior to Common Stock of all amounts such class is entitled to receive pursuant to this Certificate, the right to receive ratably and equally, together with the holders of the Series A-1 Stock, Series A-2 Stock and Series A-3 Stock pursuant to this Certificate, all the remaining assets and funds of the Corporation.

ARTICLE IV
Registered Agent

The address of its registered office in the State of Delaware is 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, New Castle County. The name of its registered agent at such address is: Corporation Service Company.

ARTICLE V
Board of Directors

The entire Board of Directors of the Corporation shall consist of seven (7) persons. Unless and except to the extent that the by-laws of the Corporation otherwise require, the election of directors of the Corporation need not be by written ballot.

ARTICLE VI
By-laws

In furtherance and not in limitation of the powers conferred by the laws of the State of Delaware, the Board of Directors is expressly authorized to adopt, amend or repeal the by-laws of the Corporation subject to the provisions of Section A.6(f)(ix) of Article III hereof.

ARTICLE VII
Perpetual Existence

The Corporation is to have perpetual existence.

ARTICLE VIII
Amendments and Repeal

Except as otherwise specifically provided in this Certificate, the Corporation reserves the right at any time, and from time to time, to amend, alter, change or repeal any provision contained in this Certificate, and to add or insert other provisions authorized at such time by the laws of the State of Delaware, in the manner now or hereafter prescribed by law; and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Certificate in its present form or as hereafter amended are granted subject to the rights reserved in this Article VIII.

ARTICLE IX
Compromises and Arrangements

Whenever a compromise or arrangement is proposed between this Corporation and its creditors or any class of them and/or between this Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this Corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for this Corporation under the provisions of Section 291 of Title 8 of the DGCL or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under the provisions of Section 279 of Title 8 of the DGCL, order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, which parties are to be summoned in such manner as the court directs. If a majority in number representing three-fourths (3/4) in value of either the creditors or a class of creditors and/or of the stockholders or a class of stockholders of this Corporation, as the case may be, agree to any compromise

or arrangement and to any reorganization of this Corporation as a consequence of such compromise or arrangement, said compromise or arrangement and said reorganization shall, if sanctioned by the court to which said application has been made, be binding on all the creditors or class of creditors and/or on all the stockholders or class of stockholders of this Corporation, as the case may be, and also on this Corporation.

ARTICLE X
Limitation of Liability

1. The Corporation shall, to the fullest extent permitted by Section 145 of the DGCL, as the same may be amended and supplemented from time to time, indemnify and advance expenses to (i) its directors (including observers to the Board of Directors) and officers, and (ii) any person who at the request of the Corporation is or was serving as a director (including observers to the Board of Directors), officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, from and against any and all of the expenses, liabilities, or other matters referred to in or covered by said section as amended or supplemented (or any successor thereto), provided, however, that except with respect to proceedings to enforce rights to indemnification, the by-laws of the Corporation may provide that the Corporation shall indemnify any director (including observers to the Board of Directors), officer or such person in connection with a proceeding (or part thereof) initiated by such director (including observers to the Board of Directors), officer or such person only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. The Corporation, by action of its Board of Directors, may provide indemnification or advance expenses to employees and agents of the Corporation or other persons only on such terms and conditions and to the extent determined by the Board of Directors in its sole and absolute discretion. The indemnification provided for herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any by-law, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in their official capacity and as to action in another capacity while holding such office. The indemnification provided for herein shall continue as to a person who has ceased to be a director, officer, employee, or agent of the Corporation and shall inure to the benefit of the heirs, executors and administrators of such a person.

2. No director (including observers to the Board of Directors) of this Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent that exemption from liability or limitation thereof is not permitted under the DGCL as in effect at the time such liability or limitation thereof is determined. No amendment, modification or repeal of this Article X shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment, modification or repeal. If the DGCL is amended after approval by the stockholders of this Article 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.

3. The Corporation hereby renounces, to the fullest extent permitted by Section 122(17) of the DGCL, any interest or expectancy of the Corporation in, or in being offered an opportunity to participate in, any business opportunities that are presented to any of its directors who are not otherwise employed by the Corporation, other than business opportunities that are presented to any director acting solely and specifically in his or her capacity as a director of the Corporation. No amendment or repeal of this Article shall apply to or have any effect on the liability or alleged liability of any such director for or with respect to any opportunities of which such director become aware prior to such amendment or repeal.

(remainder of this page intentionally left blank.)

IN WITNESS WHEREOF, the undersigned has caused this Certificate to be duly executed on behalf of the Corporation on , 2011.

RADIUS HEALTH, INC.

By: _____

Name: C. Richard Edmund Lyttle

Title: Chief Executive Officer and President

Exhibit B

Form of Stockholders' Agreement

FORM OF
AMENDED AND RESTATED
STOCKHOLDERS' AGREEMENT

THIS AMENDED AND RESTATED STOCKHOLDERS' AGREEMENT, dated this day of May, 2011, is entered into by and among (i) Radius Health, Inc., a Delaware corporation (the "Corporation"), (ii) those common stockholders of the Corporation listed on Schedule 1 hereto (hereinafter referred to collectively as the "Common Stockholders"), (iii) those stockholders of the Corporation who hold Series A-1 Convertible Preferred Stock, par value $.01 per share ("Series A-1 Preferred Stock"), listed on Schedule 2 hereto (hereinafter referred to collectively as the "Series A-1 Stockholders"), (iv) those stockholders of the Corporation who hold Series A-2 Convertible Preferred Stock, par value $.01 per share ("Series A-2 Preferred Stock"), listed on Schedule 3 hereto (hereinafter referred to collectively as the "Series A-2 Stockholders"), (v) those stockholders of the Corporation who hold Series A-3 Convertible Preferred Stock, par value $.01 per share ("Series A-3 Preferred Stock"), listed on Schedule 4 hereto (hereinafter referred to collectively as the "Series A-3 Stockholders"), (vi) those stockholders of the Corporation who hold Series A-4 Convertible Preferred Stock, par value $.01 per share ("Series A-4 Preferred Stock"), listed on Schedule 5 hereto (hereinafter referred to collectively as the "Series A-4 Stockholders"), (vii) that certain stockholder of the Corporation who holds Series A-5 Convertible Preferred Stock, par value $.01 per share ("Series A-5 Preferred Stock"), listed on Schedule 6 hereto (hereinafter referred to as the "Series A-5 Stockholder") and (viii) any person or entity that becomes a party hereto pursuant to Section 17 hereof or otherwise (the "Additional Stockholders").

WITNESSETH:

WHEREAS, the Corporation and the Series A-1 Stockholders have entered into a Series A-1 Convertible Preferred Stock Purchase Agreement, dated the date hereof (the "Stock Purchase Agreement"), in connection with which the Corporation has agreed to sell shares Series A-1 Preferred Stock, and the Corporation desires to grant to the Series A-1 Stockholders certain registration and other rights with respect to such shares;

WHEREAS, the Corporation and certain of the other parties hereto entered into an Amended and Restated Stockholders' Agreement, dated December 15, 2006, as amended by Amendment No. 1 to Amended and Restated Stockholders' Agreement, dated February 22, 2007, Amendment No. 2 to Amended and Restated Stockholders' Agreement, dated August 17, 2007, and Amendment No. 3 to Amended and Restated Stockholders' Agreement, dated October 18, 2008 (as so amended, the "Prior Agreement"), which Prior Agreement the requisite persons desire to amend and restate in its entirety as set forth herein; and

WHEREAS, as a condition to Series A-1 Stockholders entering into the Stock Purchase Agreement, the Common Stockholders, Series A-2 Stockholders, Series A-3 Stockholders, Series A-4 Stockholders, Series A-5 Stockholder and Series A-6 Stockholder (as hereinafter defined) have agreed to certain restrictions on their rights to dispose of their shares of Common Stock (as hereinafter defined) and Preferred Stock (as hereinafter defined) as contained in this Agreement;

NOW, THEREFORE, in consideration of the foregoing and of the respective covenants and undertakings of the Corporation and the Stockholders hereunder and under the Stock Purchase Agreement, the parties hereto do hereby agree as follows:

SECTION 1. Definitions. As used herein, the following terms shall have the following respective meanings:

Board shall mean the Board of Directors of the Corporation.

BB Bio shall mean BB Biotech Ventures II, L.P. including any successor thereto or any assignee of the interest, in whole or in part, of BB Bio under this Agreement

BB Bio Group shall mean: (i) BB Bio; (ii) BB BIOTECH AG, (iii) any investment fund limited partnership now existing or hereafter formed which is affiliated with or under common control with one or more general partners of any general partner of any of the

foregoing (a "BB Bio Fund"); (iv) any limited partners or affiliates of BB Bio or any other BB Bio Fund; and (v) any successors or assigns of any of the foregoing.

Brookside shall mean Brookside Capital Partners Fund L.P., a Delaware limited partnership, including any successor thereto or any assignee of the interest, in whole or in part, of Brookside Capital Partners Fund L.P. under this Agreement.

Brookside Group shall mean: (i) Brookside; (ii) any investment fund limited partnership now existing or hereafter formed which is affiliated with or under common control with one or more general partners of any general partner of Brookside (a "Brookside Fund"); (iii) any limited partners or affiliates of Brookside or any other Brookside Fund; and (iv) any successors or assigns of any of the foregoing.

Certificate shall mean the Fourth Amended and Restated Certificate of Incorporation of the Corporation and the certificate of incorporation of the Corporation' s successors and assigns, each as amended from time to time.

Commission shall mean the U.S. Securities and Exchange Commission.

Common Stock shall mean the Common Stock, par value $.01 per share, of the Corporation.

Effectiveness Date means, with respect to the Registration Statement required to be filed under Section 3.4(a), the 90th calendar day following the Closing Date; provided, however, that, if the Commission reviews and has written comments to the filed Registration Statement, then the Effectiveness Date shall be the 180th calendar day following the Closing Date; provided further, however, that in the event the Corporation is notified by the Commission that the Registration Statement will not be reviewed or is no longer subject to further review and comments, the Effectiveness Date shall be the fifth Trading Day following the date on which the Corporation is so notified if such date precedes the dates required above; provided further, however, that if the Effectiveness Date falls on a Saturday, Sunday or other day on which the Commission is not open for business, then the Effectiveness Date shall be extended to the next day on which the Commission is open for business.

Effectiveness Period shall have the meaning set forth in Section 3.4(a) hereof.

Equity Percentage shall mean, as to any Series A-1 Stockholder or Other Preferred Stockholder, as applicable, that percentage figure which expresses the ratio that (a) the number of shares of issued and outstanding Common Stock then owned by such Series A-1 Stockholder or Other Preferred Stockholder bears to (b) the aggregate number of shares of issued and outstanding Common Stock then owned by all Series A-1 Stockholders and Other Preferred Stockholders. For purposes solely of the computation set forth in clauses (a) and (b) above and the right of oversubscription (as set forth in Section 2.3(d)), all issued and outstanding securities held by the Series A-1 Stockholders and Other Preferred Stockholders that are convertible into or exercisable or exchangeable for shares of Common Stock (including any issued and issuable shares of Preferred Stock) or for any such convertible, exercisable or exchangeable securities, shall be treated as having been so converted, exercised or exchanged at the rate

or price at which such securities are convertible, exercisable or exchangeable for shares of Common Stock in effect at the time in question (which, for purposes of Section 2.3 of this Agreement, shall be at the time of delivery by the Corporation of the notice of the Offer contemplated by Section 2.3(b)), whether or not such securities are at such time immediately convertible, exercisable or exchangeable.

Event shall have the meaning set forth in Section 3.4(b) hereof.

Event Date shall have the meaning set forth in Section 3.4(b) hereof.

Exchange Act shall mean the Securities Exchange Act of 1934, as amended.

Exchange Act Registration Statement shall have the meaning set forth in Section 2.5 hereof.

Excess Securities shall have the meaning set forth in Section 2.3(d) hereof.

Excess Securities Notice shall have the meaning set forth in Section 2.3(d) hereof.

Excess Securities Period shall have the meaning set forth in Section 2.3(d) hereof.

Excluded Forms shall have the meaning given such term in Section 3.5 hereof.

Excluded Securities shall mean, collectively:

(i) the Reserved Shares:

(ii) Common Stock issued or issuable to officers, directors or employees of or consultants or independent contractors to the Corporation, pursuant to any written agreement, plan or arrangement, including pursuant to any options granted under the 2003 Long-Term Incentive Plan, as amended, of the Corporation, to purchase, or rights to subscribe for, such Common Stock, that has been approved in form and in substance by the holders of a majority of the voting power of the Series A-1 Preferred Stock then outstanding, calculated in accordance with Section A.6(a) of Article III of the Certificate, and which, as a condition precedent to the issuance of such shares, provides for the vesting of such shares and subjects such shares to restrictions on Transfers and rights of first offer in favor of the Corporation; provided, however, that the maximum number of shares of Common Stock heretofore or hereafter issuable pursuant to the 2003 Long-Term Incentive Plan, as amended, and all such agreements, plans and arrangements shall not exceed 2,015,666 shares of Common Stock;

(iii) Common Stock issued as a stock dividend payable in shares of Common Stock, or capital stock of any class issuable upon any subdivision, recombination, split-up or reverse stock split of all the outstanding shares of such class of capital stock of the Corporation;

(iv) Common Stock or other securities issued or issuable pursuant to the acquisition by the Corporation of any other corporation, partnership, joint venture, trust or other entity by any merger, stock acquisition, reorganization, purchase of substantially all assets or otherwise in which the Corporation, or its stockholders of record immediately prior to the effective date of such transaction, directly or indirectly, own at least a majority of the voting power of the acquired entity or the resulting entity after such transaction, in each case so long as such transaction is approved by the Board of Directors;

(v) Common Stock or other securities issued or issuable to banks, lenders or landlords, provided that each such issuance is approved by the Board of Directors, including, but not limited to, warrants to acquire Common Stock held by Silicon Valley Bank (or its affiliates, successors and assignees), warrants to purchase Preferred Stock issued or to be issued to GE Healthcare Financial Services, Inc. ("GEHFS") and Oxford Finance Corporation ("OFC") pursuant to a proposed debt financing approved by the Board of Directors (the "GE Financing"), shares of Preferred Stock issued or issuable to GE in connection with the GE Financing or upon exercise by GEHFS or OFC of warrants issued in the GE Financing and shares of common stock issuable upon conversion of any such shares of Preferred Stock issued to GEHFS or OFC pursuant to the GE Financing;

(vi) Common Stock or other securities issued or issuable to third parties in connection with strategic partnerships or alliances, corporate partnerships, joint ventures or other licensing transactions, provided that each such transaction and related issuance is approved by the Board of Directors, including, but not limited to, (A) any shares of Preferred Stock or Common Stock issued or issuable to Ipsen Pharma SAS ("Ipsen"), pursuant to the terms of that certain License Agreement, as amended and may be amended with the approval of the Board of Directors of the Corporation and in effect from time to time, by and between the Corporation and Ipsen as payment milestones in lieu of cash payments and (B) shares of Series A-5 Stock issued or issuable pursuant to that certain Stock Issuance Agreement as

of March 29, 2011 by and between the Corporation and Nordic Bioscience and the letter agreement as of March 29, 2011 by and between the Corporation and Nordic Bioscience, pursuant to which the Corporation will issue shares of the Corporation' s Series A-5 Convertible Preferred Stock, $0.01 par value per share and the issuance of Series A-6 Stock issued or to be issued as dividends on such Series A-5 Stock, and shares of Common Stock issuable upon conversion of any such shares of Series A-5 Stock and Series A-6 Stock;

(vii) Common Stock or other securities, the issuance of which is approved by the Majority Investors, with such approval expressly waiving the application of the anti-dilution or right of first refusal provisions of the Agreement as a result of such issuance;

(viii) Preferred Stock or Common Stock issued or issuable pursuant to any warrant outstanding as of the date hereof or any warrant and any shares of Preferred Stock or common stock, or common stock issued upon exercise of any Preferred Stock, issued in connection with the Qualified Financing, including, but not limited to a warrant for shares of Series A-1 Preferred Stock issued or issuable to Leerink Swan, any shares of Preferred Stock or Common Stock upon exercise thereof and any Common Stock issuable upon conversion of such Preferred Stock issued upon exercise thereof; and

(ix) All shares of Preferred Stock and Common Stock issued pursuant to the Stock Purchase Agreement and related recapitalization, as the same may be amended from time to time by the parties thereto in accordance with its terms, and all shares of Common Stock issued or issuable upon conversion of any such shares of Preferred Stock.

Filing Date means, with respect to the Registration Statement required to be filed under Section 3.4, the 60th calendar day following the date of consummation of the Merger; provided, however, that if the Filing Date falls on a Saturday, Sunday or other day on which the Commission is not open for business, then the Filing Date shall be extended to the next day on which the Commission is open for business.

FINRA shall have the meaning set forth in Section 3.4(b)(viii) hereof.

Group shall mean: (i) as to any Stockholder that is a corporation or other entity, any and all of the venture capital limited partnerships or corporations now existing or hereafter formed that are affiliated with or under common control with one or more of the controlling stockholders of such Stockholder and any predecessor or successor thereto; (ii) in the case of any member of the HCV Group, any other member of the HCV Group; (iii) in the case of any member of the MPM Group, any other member of the MPM Group; (iv) in the case of any member of the Brookside Group, any other member of the Brookside Group; (v) in the case of any member of the Oxford/Saints Group, any other member of the Oxford/Saints Group; (vi) in the case of any member of the BB Bio, any other member of the BB Bio Group and (vi) in the case of Wellcome, any successor trustee of the Wellcome Trust or additional trustee or trustees of the Wellcome Trust from time to time, or any company whose shares are all held directly or indirectly by the Wellcome Trust, or any nominee or custodian of any such person.

HCV Group shall mean: (i) HCV VII; (ii) any venture capital limited partnership now existing or hereafter formed which is affiliated with or under common control with one or more general partners of any general partner of HCV VII (an "HCV Fund"); (iii) any limited partners or affiliates of HCV VII or any other HCV Fund; and (iv) any successors or assigns of any of the foregoing.

HCV VII shall mean HealthCare Ventures VII, L.P. a Delaware limited partnership, including any successor thereto or any assignee of the interest, in whole or in part, of HCV VII under this Agreement.

Holder or Holders means the holder or holders, as the case may be, from time to time of Registrable Securities.

Independent Directors shall have the meaning set forth in Section 4.1(b) hereof.

Industry Expert Director shall have the meaning set forth in Section 4.1(b) hereof.

Investor Directors shall have the meaning set forth in Section 4.1(b) hereof.

Investors shall mean each of the persons listed on Schedule 2 hereto, severally, but not jointly and severally.

Issuer Filing shall have the meaning set forth in Section 3.4(g) hereof.

Majority Investors shall mean the holders of a majority of the voting power of the Series A-1 Preferred Stock, Series A-2 Preferred Stock and Series A-3 Preferred Stock then outstanding, voting together as a single class, calculated in accordance with Section A.6 of Article III of the Certificate (including, in such calculation, any shares issued upon conversion of such Series A-1 Preferred Stock, Series A-2 Preferred Stock and Series A-3 Preferred Stock then outstanding).

Merger shall have the meaning ascribed thereto in the Stock Purchase Agreement.

MPM shall mean MPM Capital L.P.

MPM Group shall mean (i) MPM BioVentures III, L.P., (ii) MPM BioVentures III QP. L.P., (iii) MPM BioVentures III GmbH & Co. Beteiligungs KG, (iv) MPM BioVentures III Parallel Fund, L.P., (v) MPM Asset Management Investors 2003 VIII LLC, (vi) MPM Bio IV NVS Strategic Fund, L.P., (vii) any other venture capital limited partnership now existing or hereafter formed which is affiliated with or under common control with the foregoing or one or more general partners of the foregoing, and (viii) any successors or assigns of the foregoing.

Notice of Acceptance shall have the meaning set forth in Section 2.3(c) hereof.

Offer shall have the meaning set forth in Section 2.3(b) hereof.

Offered Securities shall mean, except for Excluded Securities, (i) any shares of Common Stock, Preferred Stock or any other equity security of the Corporation, (ii) any debt security, (iii) any capitalized lease with any equity feature with respect to the Corporation, or (iv) any option, warrant or other right to subscribe for, purchase or otherwise acquire any such equity security, debt security or capitalized lease.

Option Shares shall mean the 2003 Plan Option Shares as defined in Section 5.2(a)(i)(3) of the Stock Purchase Agreement.

Other Preferred Stockholder shall mean any holder of shares of Series A-2 Preferred Stock, Series A-3 Preferred Stock, Series A-4 Preferred Stock, Series A-5 Preferred Stock or Series A-6 Preferred Stock.

Other Shares shall have the meaning set forth in Section 3.5(e) hereof.

Oxford shall mean Oxford Bioscience Partners IV L.P., until such time as such entity shall have transferred all of its Common Stock and Preferred Stock to OBP IV − Holdings LLC, at which time "Oxford" shall mean OBP IV − Holdings LLC.

Oxford/Saints Group shall mean (i) Oxford Bioscience Partners IV L.P., (ii) mRNA Fund II L.P., (iii) OBP IV − Holdings LLC, (iv) mRNA II − Holdings LLC, (v) Saints Capital VI, L.P., (vi) any other venture capital limited partnership now existing or hereafter formed which is affiliated with or under common control with the foregoing or one or more general partners of the foregoing, and (vii) any successors or assigns of the foregoing.

Person (whether or not capitalized) means an individual, corporation, partnership, limited partnership, limited liability company, syndicate, trust, association or entity or government, political subdivision, agency or instrumentality of a government.

Plan of Distribution shall have the meaning set forth in Section 3.4(a) hereof.

Preferred Shares shall mean shares of Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock, Series A-4 Preferred Stock, Series A-5 Preferred Stock and shares of the Corporation' s Series A-6 Convertible Preferred Stock, par value $0.01 per share (the "Series A-6 Preferred Stock", with any holder of Series A-6 Preferred Stock being referred to herein as a "Series A-6 Stockholder").

Preferred Stock shall mean the Preferred Stock, par value $.01 per share, of the Corporation.

Preferred Stockholders shall mean, collectively, all holders of shares of Preferred Stock of the Corporation.

Prospectus means the prospectus included in a Registration Statement (including, without limitation, a prospectus that includes any information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 430A promulgated under the Securities Act), as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of

any portion of the Registrable Securities covered by a Registration Statement, and all other amendments and supplements to the Prospectus, including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such Prospectus.

Qualified Public Offering shall have the same meaning as that set forth in the Certificate.

Refused Securities shall have the meaning set forth in Section 2.3(f) hereof.

Registrable Securities shall mean all of the Preferred Shares, the Common Stock issued or issuable upon the conversion of the Preferred Shares, all shares of Common Stock issued or issuable in respect thereof by way of stock splits, stock dividends, stock combinations, recapitalizations or like occurrences, and any other shares of Common Stock or other securities of the Corporation which may be issued hereafter to any of the Investors or any member of their Group which are convertible into or exercisable for shares of Common Stock (including, without limitation, other classes or series of convertible Preferred Stock, warrants, options or other rights to purchase Common Stock or convertible debentures or other convertible debt securities) and the Common Stock issued or issuable upon such conversion or exercise of such other securities, which have not been sold (a) in connection with an effective registration statement filed pursuant to the Securities Act or (b) pursuant to Rule 144 or Rule 144A promulgated by the Commission under the Securities Act.

Registrable Shares shall mean the shares of Common Stock issued or issuable upon the conversion or exchange of the Registrable Securities or otherwise constituting a portion of the Registrable Securities.

Registration Statement means any registration statement required to be filed by the Corporation under Section 3.4 and any additional registration statement contemplated by Section 3.4(b)(iii), including (in each case) the Prospectus, amendments and supplements to such registration statement or Prospectus, including pre- and post-effective amendments, all exhibits thereto, and all material incorporated by reference or deemed to be incorporated by reference in such registration statement.

Reserved Shares shall mean the shares of Common Stock issued or issuable by the Corporation upon the conversion of the Preferred Shares.

Restricted Stock shall mean all shares of capital stock of the Corporation, excluding the Series A-1 Registrable Securities, Series A-2 Registrable Securities and Series A-3 Registrable Securities, including (i) all shares of Common Stock, (ii) all shares of Series A-4 Preferred Stock, (iii) all shares of Series A-5 Preferred Stock, (iv) all shares of Series A-6 Preferred Stock, (v) all additional shares of capital stock of the Corporation hereafter issued and outstanding, (vi) all shares of capital stock of the Corporation into which such shares may be

converted or for which they may be exchanged or exercised and (vii) all other shares of capital stock issued or issuable by way of stock splits, stock dividends, stock combinations, recapitalizations or like occurrences on such shares.

Rule 415 means Rule 415 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

Rule 424 means Rule 424 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

Securities Act shall mean the Securities Act of 1933, as amended.

Selling Stockholder Questionnaire shall have the meaning set forth in Section 3.4(a) hereof.

Sell shall mean as to any Restricted Stock, to sell, or in any other way directly or indirectly, transfer, assign, distribute, encumber or otherwise dispose of either voluntarily or involuntarily; provided, however, that the term "Sell" shall not include the transfer, by gift or otherwise without consideration, of any Restricted Stock (a) by a Common Stockholder, Series A-4 Stockholder, Series A-5 Stockholder or Series A-6 Stockholder to any or all members of a class of persons consisting of his or her spouse, other members of his or her immediate family and/or his, her or their descendants, or to a trust of which all of the beneficiaries are members of such class, or (b) by a Common Stockholder, Series A-4 Stockholder, Series A-5 Stockholder or Series A-6 Stockholder that is a trust, employee benefit plan or individual retirement account, to the beneficiary or beneficiaries of such trust, employee benefit plan or individual retirement account, as applicable (each, a "Related Transferee"); provided, that any such transfer to a Related Transferee shall be permitted only on, and subject to, the express conditions that:

(i) such Related Transferee shall be deemed to be a Common Stockholder, Series A-4 Stockholder, Series A-5 Stockholder or Series A-6 Stockholder, as applicable, hereunder and shall hold the Restricted Stock subject to the provisions of this Agreement; and

(ii) such Related Transferee executes all documents necessary or desirable, in the reasonable judgment of the Corporation and the Investors, to become a party to, and be bound by the terms of this Agreement, including but not limited to an Instrument of Adherence pursuant to Section 17 hereof.

Series A-1 Directors shall have the meaning set forth in Section 4.1(b) hereof.

Series A-1 Preferred Stock shall have the meaning set forth in the second paragraph of this Agreement.

Series A-2 Preferred Stock shall have the meaning set forth in the first paragraph of this Agreement.

Series A-3 Preferred Stock shall have the meaning set forth in the first paragraph of this Agreement.

Series A-4 Preferred Stock shall have the meaning set forth in the first paragraph of this Agreement.

Series A-5 Preferred Stock shall have the meaning set forth in the first paragraph of this Agreement.

Series A-6 Preferred Stock shall have the meaning set forth in the definition of "Preferred Shares" above.

Series A-1 Registrable Shares shall mean the shares of Common Stock issued or issuable upon the conversion or exchange of the Series A-1 Registrable Securities or otherwise constituting a portion of the Series A-1 Registrable Securities.

Series A-1 Registrable Securities shall mean any of the Series A-1 Preferred Stock, the Common Stock issued or issuable upon the conversion of the Series A-1 Preferred Stock, all shares of Common Stock issued or issuable in respect thereof by way of stock splits, stock dividends, stock combinations, recapitalizations or like occurrences, and any other shares of Common Stock or other securities of the Corporation which may be issued hereafter to any of the Series A-1 Stockholders or any member of their Group which are convertible into or exercisable for shares of Common Stock (including, without limitation, other classes or series of convertible Preferred Stock, warrants, options or other rights to purchase Common Stock or convertible debentures or other convertible debt securities) and the Common Stock issued or issuable upon such conversion or exercise of such other securities, which have not been sold (a) in connection with an effective registration statement tiled pursuant to the Securities Act or (b) pursuant to Rule 144 or Rule 144A promulgated by the Commission under the Securities Act.

Series A-2 Registrable Shares shall mean the shares of Common Stock issued or issuable upon the conversion or exchange of the Series A-2 Registrable Securities or otherwise constituting a portion of the Series A-2 Registrable Securities.

Series A-2 Registrable Securities shall mean any of the Series A-2 Preferred Stock, the Common Stock issued or issuable upon the conversion of the Series A-2 Preferred Stock, all shares of Common Stock issued or issuable in respect thereof by way of stock splits, stock dividends, stock combinations, recapitalizations or like occurrences, and any other shares of Common Stock or other securities of the Corporation which may be issued hereafter to any of the Investors or any member of their Group which are convertible into or exercisable for shares of Common Stock (including, without limitation, other classes or series of convertible Preferred Stock, warrants, options or other rights to purchase Common Stock or convertible debentures or other convertible debt securities) and the Common Stock issued or issuable upon such conversion or exercise of such other securities, which have not been sold (a) in connection with an effective registration statement tiled pursuant to the Securities Act or (b) pursuant to Rule 144 or Rule 144A promulgated by the Commission under the Securities Act.

Series A-3 Registrable Shares shall mean the shares of Common Stock issued or issuable upon the conversion or exchange of the Series A-3 Registrable Securities or otherwise constituting a portion of the Series A-3 Registrable Securities.

Series A-3 Registrable Securities shall mean any of the Series A-3 Preferred Stock, the Common Stock issued or issuable upon the conversion of the Series A-3 Preferred Stock, all shares of Common Stock issued or issuable in respect thereof by way of stock splits, stock dividends, stock combinations, recapitalizations or like occurrences, and any other shares of Common Stock or other securities of the Corporation which may be issued hereafter to any of the Investors or any member of their Group which are convertible into or exercisable for shares of Common Stock (including, without limitation, other classes or series of convertible Preferred Stock, warrants, options or other rights to purchase Common Stock or convertible debentures or other convertible debt securities) and the Common Stock issued or issuable upon such conversion or exercise of such other securities, which have not been sold (a) in connection with an effective registration statement tiled pursuant to the Securities Act or (b) pursuant to Rule 144 or Rule 144A promulgated by the Commission under the Securities Act.

Series A-1 Stockholder shall have the meaning set forth in the second paragraph of this Agreement.

Series A-2 Stockholders shall have the meaning set forth in the first paragraph of this Agreement.

Series A-3 Stockholders shall have the meaning set forth in the first paragraph of this Agreement.

Series A-4 Stockholder shall have the meaning set forth in the first paragraph of this Agreement.

Series A-5 Stockholder shall have the meaning set forth in the first paragraph of this Agreement.

Series A-6 Stockholder shall have the meaning set forth in the definition of "Preferred Shares" above.

Specified Preferred Director shall have the meaning set forth in Section 4.1(b) hereof.

Specified Preferred Holder shall mean each of Oxford, Wellcome and HCV VII.

Stock Purchase Agreement shall mean the Series A-1 Convertible Preferred Stock Purchase Agreement, dated as of the date hereof, among the Corporation and the Investors listed on Schedule I thereto.

Stockholders shall mean all holders of capital stock of the Corporation.

Trading Day shall have the meaning set forth in Section 3.4(a) hereof.

30-Day Period shall have the meaning set forth in Section 2.3(b) hereof.

Transfer shall include any disposition of any Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock or of any interest therein which would constitute a sale thereof within the meaning of the Securities Act.

Wellcome shall mean The Wellcome Trust Limited, as trustee of the Wellcome Trust.

SECTION 2. Certain Covenants of the Corporation.

2.1 Meetings of the Board of Directors. The Corporation shall call, and use its best efforts to have, regular meetings of the Board not less often than quarterly. The Corporation shall promptly pay all reasonable and appropriately documented travel expenses and other out-of-pocket expenses incurred by directors who are not employed by the Corporation in connection with attendance at meetings to transact the business of the Corporation or attendance at meetings of the Board or any committee thereof.

2.2 Reservation of Shares of Common Stock and Preferred Stock, Etc. The Corporation shall at all times have authorized and reserved out of its authorized but unissued shares of Common Stock a sufficient number of shares of Common Stock to provide for the conversion of the Preferred Shares. Neither the issuance of the Preferred Shares nor the shares of Common Stock issuable upon the conversion of the Preferred Shares shall be subject to a preemptive right of any other Stockholder.

2.3 Right of First Refusal.

(a) The Corporation shall not issue, sell or exchange, agree to issue, sell or exchange, or reserve or set aside for issuance, sale or exchange, any Offered Securities, unless in each

case the Corporation shall have first offered to sell to the Series A-1 Stockholders, Series A-2 Stockholders and the Series A-3 Stockholders (collectively, the "ROFR Stockholders") all of such Offered Securities on the terms set forth herein. Each ROFR Stockholder shall be entitled to purchase up to its Equity Percentage of the Offered Securities. Each ROFR Stockholder may delegate its rights and obligations with respect to such Offer to one or more members of its Group, which members shall thereafter be deemed to be "ROFR Stockholders" for the purpose of applying this Section 2.3 to such Offer.

(b) The Corporation shall deliver to each ROFR Stockholder written notice of the offer to sell the Offered Securities, specifying the price and terms and conditions of the offer (the "Offer"). The Offer by its terms shall remain open and irrevocable for a period of 30 days from the date of its delivery to such ROFR Stockholders (the "30-Day Period"), subject to extension to include the Excess Securities Period (as such term is hereinafter defined).

(c) Each ROFR Stockholder shall evidence its intention to accept the Offer by delivering a written notice signed by such ROFR Stockholder, as applicable, setting forth the number of shares that such ROFR Stockholder elects to purchase (the "Notice of Acceptance"). The Notice of Acceptance must be delivered to the Corporation prior to the end of the 30-Day Period. The failure by a ROFR Stockholder to exercise its rights hereunder shall not constitute a waiver of any other rights or of the right to receive notice of and participate in any subsequent Offer.

(d) If any ROFR Stockholder fails to exercise its right hereunder to purchase its Equity Percentage of the Offered Securities, the Corporation shall so notify the other ROFR Stockholders in a written notice (the "Excess Securities Notice"). The Excess Securities Notice shall be given by the Corporation promptly after it learns of the intention of any ROFR Stockholder not to purchase all of its Equity Percentage of the Offered Securities, but in no event later than ten (10) business days after the expiration of the 30-Day Period. The ROFR who or which have agreed to purchase their Equity Percentage of the Offered Securities shall have the right to purchase the portion not purchased by such ROFR Stockholders (the "Excess Securities"), on a pro rata basis, by giving notice within ten (10) business days after receipt of the Excess Securities Notice from the Corporation. The twenty (20) business day period during which (i) the Corporation must give the Excess Securities Notice to the applicable ROFR Stockholders, and (ii) each of them must then give the Corporation notice of their intention to purchase all or any portion of their pro rata share of the its Excess Securities, is hereinafter referred to as the "Excess Securities Period."

(e) If the ROFR Stockholders tender their Notice of Acceptance prior to the end of the 30-Day Period, indicating their intention to purchase all of the Offered Securities, or, if prior to the termination of the Excess Securities Period the ROFR Stockholders tender Excess Securities Notices to purchase all of the Excess Securities, the Corporation shall schedule a closing of the sale of all such Offered Securities. Upon the closing of the sale of the Offered Securities to be purchased by the ROFR Stockholders and the Excess Securities to be purchased by ROFR Stockholders, each ROFR Stockholder shall (i) purchase from the Corporation that portion of the Offered Securities and Excess Securities, as applicable, for which it tendered a Notice of Acceptance and an Excess Securities Notice, as applicable, upon the terms specified in the Offer, and (ii) execute and deliver an agreement further restricting transfer of such Offered Securities substantially as set forth in Section 3.1, 3.2 and 3.3 of this Agreement. In addition, with respect to the Offered Securities and Excess Securities being purchased by the ROFR Stockholders, the Corporation shall provide each such ROFR Stockholder with the rights and benefits set forth in this Agreement. The obligation of the ROFR Stockholders to purchase such Offered Securities and Excess Securities, as applicable, is further conditioned upon the preparation of a purchase agreement embodying the terms of the Offer, which shall be reasonably satisfactory in form and substance to such ROFR Stockholder and each of their respective counsels.

(f) The Corporation shall have ninety (90) days from the expiration of the 30-Day Period, or the Excess Securities Period, if applicable, to sell the Offered Securities (including the Excess Securities) refused by the ROFR Stockholders (the "Refused Securities") to any other person or persons, but only upon terms and conditions which are in all material respects (including, without limitation, price and interest rate) no more favorable to such other person or persons, and no less favorable to the Corporation, than those set forth in the Offer. Upon and subject to the closing of the sale of all of the Refused Securities (which shall include full payment to the Corporation), each ROFR Stockholder shall (i) purchase from the Corporation those Offered Securities and Excess Securities, as applicable, for which it tendered a Notice of Acceptance and an Excess Securities Notice, if applicable, upon the terms specified in the Offer, and (ii) execute and deliver an agreement restricting transfer of such Offered Securities and Excess Securities, as applicable, substantially as set forth in Sections 3.1, 3.2 and 3.3 of this Agreement. In addition, with respect to the Offered Securities or Excess Securities being purchased by the ROFR Stockholders, the Corporation shall provide each such ROFR Stockholder with the rights and benefits set forth in this Agreement. The Corporation agrees, as a condition precedent to accepting payment for and making delivery of any Refused Securities to any executive officer, employee, consultant or independent contractor of or to the Corporation, or to any other person, to have each and every such person execute and deliver this Agreement, as may be modified or amended from time to time pursuant to Section 11 hereof, to the extent such purchaser has not already executed this Agreement. The obligation of the ROFR Stockholders to purchase such Offered Securities and Excess Securities, as applicable, is further conditioned upon the preparation of a purchase agreement embodying the terms of the Offer, which shall be reasonably satisfactory in form and substance to such ROFR Stockholder and each of their respective counsels.

(g) In each case, any Offered Securities not purchased either by the ROFR Stockholders or by any other person in accordance with this Section 2.3 may not be sold or otherwise disposed of until they are again offered to the ROFR Stockholders under the procedures specified in Paragraphs (a), (b), (c), (d), (e) and (f) hereof.

(h) Each ROFR Stockholder may, by prior written consent, waive its rights under this Section 2.3. Such a waiver shall be deemed a limited waiver and shall only apply to the extent specifically set forth in the written consent of such ROFRR Stockholder.

(i) This Section 2.3 and the rights and obligations of the parties hereunder shall automatically terminate on the consummation of a Qualified Public Offering.

2.4 Filing of Reports Under the Exchange Act.

(a) The Corporation shall give prompt notice to the holders of Preferred Stock of (i) the filing of any registration statement (an "Exchange Act Registration Statement") pursuant to the Exchange Act, relating to any class of equity securities of the Corporation, (ii) the effectiveness of such Exchange Act Registration Statement, and (iii) the number of shares of such class of equity securities outstanding, as reported in such Exchange Act Registration Statement, in order to enable the Stockholders to comply with any reporting requirements under the Exchange Act or the Securities Act. Upon the written request of the Majority Investors, the Corporation shall, at any time after the Corporation has already registered shares of Common Stock under the Securities Act file an Exchange Act Registration Statement relating to any class of equity securities of the Corporation or issuable upon conversion or exercise of any class of debt or equity securities or warrants or options of the Corporation then held by the Series A-1 Stockholders, whether or not the class of equity securities with respect to which such request is made shall be held by the number of persons which would require the filing of a registration statement under Section 12(g)(I) of the Exchange Act.

(b) If the Corporation shall have filed an Exchange Act Registration Statement or a registration statement (including an offering circular under Regulation A promulgated under the Securities Act) pursuant to the requirements of the Securities Act, which shall have become effective (and in any event, at all times following the initial public offering of any of the securities of the Corporation), then the Corporation shall comply with all other reporting requirements of the Exchange Act (whether or not it shall be required to do so) and shall comply with all other public information reporting requirements of the Commission as a condition to the availability of an exemption from the Securities Act for the sale of any of the Restricted Stock by any holder of Restricted Stock or the sale of any of the Series A-1 Stock by any holder of Series A-1 Stock (including any such exemption pursuant to Rule 144 or Rule 144A thereof, as amended from time to time, or any successor rule thereto or otherwise). The Corporation shall cooperate with each holder of Registrable Securities in supplying such information as may be necessary for such holder to complete and file any information reporting forms presently or hereafter required by the Commission as a condition to the availability of an exemption from the Securities Act (under Rule 144 or Rule 144A thereunder or otherwise) for the sale of any Registrable Securities.

2.5 Directors' & Officers' Insurance. The Corporation shall continue to maintain a directors' and officers' liability insurance policy covering all directors, observers and executive officers of the Corporation.

2.6 Properties and Business Insurance. The Corporation shall continue to maintain from responsible and reputable insurance companies or associations valid policies of insurance against such casualties, contingencies and other risks and hazards and of such types and in such amounts as is customary for similarly situated businesses.

2.7 Preservation of Corporate Existence. The Corporation shall preserve and maintain its corporate existence, rights, franchises and privileges in the jurisdiction of its incorporation, and qualify and remain qualified as a foreign corporation in each jurisdiction in which (i) such qualification is necessary or desirable in view of its business and operations or the ownership or lease of its properties or (ii) the failure to so qualify would have a material adverse effect on the business, properties, assets or condition (financial or otherwise) of the Corporation.

2.8 Compliance with Laws. The Corporation shall comply with all applicable laws, rules, regulations, requirements and orders of the United States or any applicable foreign jurisdiction in the conduct of its business including, without limitation, all labor, employment, wage and hour, health and safety, environmental, health insurance, health information security, privacy, data protection and data transfer laws, and shall adopt and monitor policies and procedures designed to comply with all such applicable laws, rules, regulations and orders, except where noncompliance would not have a material adverse effect on the business, properties, assets or condition (financial or otherwise) of the Corporation.

2.9 Payment of Taxes. The Corporation will pay and discharge all lawful Taxes (as defined below) before such Taxes shall become in default and all lawful claims for labor, materials and supplies which, if not paid when due, might become a lien or charge upon its property or any part thereof; provided, however, that the Corporation shall not be required to pay and discharge any such Tax, assessment, charge, levy or claim so long as the validity thereof is being contested by or for the Corporation in good faith by appropriate proceedings and an adequate reserve therefore has been established on its books. The term "Tax" (and, with correlative meaning, "Taxes") means all United States federal, state and local, and all foreign, income, profits, franchise, gross receipts, payroll, transfer, sales, employment, use, property, excise, value added, ad valorem, estimated, stamp, alternative or add-on minimum, recapture, environmental, withholding and any other taxes, charges, duties, impositions or

assessments, together with all interest, penalties, and additions imposed on or with respect to such amounts, or levied, assessed or imposed against the Corporation.

2.10 Management Compensation. The Board of Directors (upon the recommendation of the Compensation Committee or otherwise) shall determine the compensation to be paid by the Corporation to its management. Any grants of capital stock or options to employees, officers, directors or consultants of the Corporation and its Subsidiaries shall be made pursuant to the Plan.

2.11 No Further Pay-to-Play Provisions. The Corporation hereby covenants and agrees that at no time after the date of this Agreement, without the prior written consent of each of Wellcome, one member of the HCV Group, one member of the MPM Group, one member of the Brookside Group, one member of the BB Bio Group, and one member of the Oxford/Saints Group, shall it enter into any agreement or amend the Certificate to implement terms that would automatically convert Preferred Shares into shares of Common Stock, or impose any other penalty on the holder of Preferred Shares, solely because the holders of such Preferred Shares fail to participate at any level in a transaction pursuant to which the Corporation raises funds through the issuance of debt or equity securities (other than any Closing contemplated by the Stock Purchase Agreement).

2.12 Confidentiality, Assignment of Inventions and Non-Competition Agreements for Key Employees. The Corporation shall cause each person who becomes an employee of or a consultant to the Corporation subsequent to the date hereof, and who shall have or be proposed to have access to confidential or proprietary information of the Corporation, to execute a confidentiality, assignment of inventions, and non-competition agreement in form and substance attached hereto as Exhibit A or otherwise approved by the Board prior to the commencement of such person' s employment by the Corporation in such capacity.

2.13 Duration of Section. Sections 2.5 through 2.12 and the rights and obligations of the parties hereunder shall automatically terminate on the earlier of (i) the consummation of an Event of Sale (as defined in the Certificate) or (ii) the automatic conversion of all of the Preferred Stock of the Corporation pursuant to the terms and conditions of the Certificate upon the listing, or the admitting for trading, of the Common Stock on a national securities exchange.

SECTION 3. Transfer of Securities.

3.1 Restriction on Transfer. The Series A-1 Preferred Stock, Series A-2 Preferred Stock, the Series A-3 Preferred Stock and the Restricted Stock shall not be transferable, except upon the conditions specified in this Section 3, which conditions are intended solely to ensure compliance with the provisions of the Securities Act in respect of the Transfer thereof. In addition, no Series A-1 Preferred

Stock, Series A-2 Preferred Stock, the Series A-3 Preferred Stock or Restricted Stock shall be transferred unless, as conditions precedent to such transfer, the transferee thereof agrees in writing to be bound by the obligations of the transferring Stockholder hereunder.

3.2 Restrictive Legend. Each certificate evidencing any Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock and Restricted Stock and each certificate evidencing any such securities issued to subsequent transferees of any Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock and Restricted Stock shall (unless otherwise permitted by the provisions of Section 3.3 or 3.10 hereof) be stamped or otherwise imprinted with a legend in substantially the following form:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAW. THE SECURITIES MAY NOT BE PLEDGED, HYPOTHECATED, SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAW OR AN EXEMPTION THEREFROM UNDER SUCH ACT OR LAW.

3.3 Notice of Transfer. By acceptance of any Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock, the holder thereof agrees to give prior written notice to the Corporation of such holder' s intention to effect any Transfer and to comply in all other respects with the provisions of this Section 3.3. Each such notice shall describe the manner and circumstances of the proposed Transfer and shall be accompanied by: (a) the written opinion of counsel for the holder of such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock, or, at such holder' s option, a representation letter of such holder, addressed to the Corporation (which opinion and counsel, or representation letter, as the case may be, shall be reasonably acceptable to the Corporation), as to whether, in the case of a written opinion, in the opinion of such counsel such proposed Transfer involves a transaction requiring registration of such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock under the Securities Act and applicable state securities laws or an exemption thereunder is available, or, in the case of a representation letter, such letter sets forth a factual basis for concluding that such proposed transfer involves a transaction requiring registration of such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock under the Securities Act and applicable state securities laws or that an exemption thereunder is available, or (b) if such registration is required and if the provisions of Section 3.4 hereof are applicable, a written request addressed to the Corporation by the holder of such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock, describing in detail the proposed method of disposition and requesting the Corporation to effect the registration of such Registrable Shares pursuant to the terms and provisions of Section 3.4 hereof; provided, however, that (y) in the case of a Transfer by a holder to a member of such holder' s Group, no such opinion of counsel or representation letter of the holder shall be necessary, provided that the transferee agrees in writing to be subject to Sections 3.1, 3.2, 3.3, 3.10 hereof to the same extent as if such transferee were originally a signatory to this Agreement, and (z) in the case of any holder of Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock that is a partnership, no such opinion of counsel or representation letter of the holder shall be necessary for a Transfer by such holder to a partner of such holder, or a retired partner of such holder who retires after the date hereof, or the estate of any such partner or retired partner if, with respect to such Transfer by a partnership, (i) such Transfer is made in accordance with the partnership agreement of such partnership, and (ii) the transferee agrees in writing to be subject to the terms of Sections 3.1, 3.2, 3.3, 3.10 hereof to the same extent as if such transferee were originally a signatory to this Agreement. If in an opinion of counsel or as reasonably concluded from the facts set forth in the representation letter of the holder (which opinion and counsel or representation letter, as the case may be, shall be reasonably acceptable to the Corporation), the proposed Transfer may be effected without registration under the Securities Act and any applicable state securities laws or "blue sky" laws, then the holder of Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock shall thereupon be entitled to effect such Transfer in accordance with the terms of the notice delivered by it to the Corporation. Each certificate or other instrument evidencing the securities issued upon such Transfer (and each certificate or other instrument evidencing any such securities not Transferred) shall bear the legend set forth in Section 3.2 hereof unless: (a) in such opinion of such counsel or as can be concluded from the representation letter of such holder (which opinion and counsel or representation letter shall be reasonably acceptable to the

Corporation) the registration of future Transfers is not required by the applicable provisions of the Securities Act and state securities laws, or (b) the Corporation shall have waived the requirement of such legend; provided, however, that such legend shall not be required on any certificate or other instrument evidencing the securities issued upon such Transfer in the event such transfer shall be made in compliance with the requirements of Rule 144 (as amended from time to time or any similar or successor rule) promulgated under the Securities Act. The holder of Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock shall not effect any Transfer until such opinion of counsel or representation letter of such holder has been given to and accepted by the Corporation (unless waived by the Corporation) or, if applicable, until registration of the Registrable Shares involved in the above-mentioned request has become effective under the Securities Act. In the event that an opinion of counsel is required by the registrar or transfer agent of the Corporation to effect a transfer of Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock in the future, the Corporation shall seek and obtain such opinion from its counsel, and the holder of such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock shall provide such reasonable assistance as is requested by the Corporation (other than the furnishing of an opinion of counsel) to satisfy the requirements of the registrar or transfer agent to effectuate such transfer. Notwithstanding anything to the contrary herein, the provisions of this Section 3.3 and of Sections 3.1 and 3.2 shall not apply, and shall be deemed of no force or effect, with respect to shares of capital stock of the Corporation that are subject to a re-sale registration statement under the Securities Act, provided that such registration statement has been declared, and continues to remain, effective by the Commission.

3.4 Registration Rights.

(a) Shelf Registration.

(i) On or prior to the Filing Date, the Corporation shall prepare and file with the Commission a Registration Statement covering the resale of all of the Registrable Shares for an offering to be made on a continuous basis pursuant to Rule 415. The Registration Statement shall be on Form S-1 or another appropriate form in accordance herewith and shall contain (unless otherwise directed by Holders of at least 85% of the then outstanding Registrable Shares) substantially the "Plan of Distribution" attached hereto as Annex A. Subject to the terms of this Agreement, the Corporation shall use its reasonable best efforts to cause such Registration Statement to be declared effective under the Securities Act as promptly as possible after the filing thereof, but in any event on or prior to the Effectiveness Date, and shall use its reasonable best efforts to keep the Registration Statement continuously effective (whether on Form S-1 or amended to Form S-3 or another appropriate form in accordance herewith) under the Securities Act until all Registrable Shares have been sold, or may be sold without volume restrictions pursuant to Rule 144, as determined by the counsel to the Corporation pursuant to a written opinion letter to such effect, addressed and acceptable to the transfer agent of the Corporation and the affected Holders (the "Effectiveness Period"). The Corporation shall telephonically request effectiveness of the Registration Statement as of 5:00 p.m. New York City time on a day during which the public markets are open for trading stocks (a "Trading Day"). The Corporation shall immediately notify the Holders via facsimile or by e-mail delivery of a ".pdf" format data file of the effectiveness of the Registration Statement on the same Trading Day that the Corporation telephonically confirms effectiveness with the Commission, which shall be the date requested for effectiveness of the Registration Statement. The Corporation shall, by 9:30 a.m. New York City time on the Trading Day after the Effective Date, file a final Prospectus with the Commission as required by Rule 424. Failure to so notify the Holder within 1 Trading Day of such notification of effectiveness or failure to file a final Prospectus as foresaid shall be deemed an Event under Section 3.4(b).

(ii) If: (A) the Registration Statement is not filed on or prior to the Filing Date or has not been declared effective by the Commission by the Effectiveness Date, or (B) the Corporation fails to file with the Commission a request for acceleration in accordance with Rule 461 promulgated under the Securities Act, within 5 Trading Days of the date that the Corporation is notified (orally or in writing, whichever is earlier) by the Commission that a Registration Statement will not be "reviewed" or not be subject to further review, or (C) prior to the Effectiveness Date of a Registration Statement, the Corporation fails to file a pre-effective amendment and otherwise respond in writing to comments made by the Commission in respect of such Registration Statement within 14 calendar days after the receipt of comments by or notice from the Commission that such amendment is required in order for such Registration Statement to be declared effective, or (D) after the Effectiveness Date of a Registration Statement, such Registration Statement ceases for any reason to

remain continuously effective as to all Registrable Securities included in such Registration Statement, or the Holders are otherwise not permitted to utilize the Prospectus therein to resell such Registrable Securities, for more than 20 consecutive calendar days or more than an aggregate of 40 calendar days during any 12-month period (which need not be consecutive calendar days) (any such failure or breach being referred to as an "Event", and for purposes of clause (A) the date on which such Event occurs, or for purposes of clause (B) the date on which such 5 Trading Day period is exceeded, or for purposes of clause (C) the date which such 14 calendar day period is exceeded, or for purposes of clause (D) the date on which such 20 or 40 calendar day period, as applicable, is exceeded being referred to as an "Event Date"), then, in addition to any other rights the Holders may have hereunder or under applicable law, on each such Event Date and on each monthly anniversary of each such Event Date (if the applicable Event shall not have been cured by such date) until the applicable Event is cured, the Corporation shall pay to each Holder an amount in cash, as partial liquidated damages and not as a penalty, equal to 1% of the aggregate purchase price paid by such Holder pursuant to the Stock Purchase Agreement for any Registrable Securities then held by such Holder. The parties agree that the maximum aggregate liquidated damages payable to a Holder under this Agreement shall be sixteen percent (16%) of the aggregate Purchase Price (as defined in the Stock Purchase Agreement) paid by such Holder pursuant to the Stock Purchase Agreement. If the Corporation fails to pay any partial liquidated damages pursuant to this Section 3.4(b) in full within seven days after the date payable, the Corporation will pay interest thereon at a rate of ten percent (10%) per annum (or such lesser maximum amount that is permitted to be paid by applicable law) to the Holder, accruing daily from the date such partial liquidated damages are due until such amounts, plus all such interest thereon, are paid in full. The partial liquidated damages pursuant to the terms hereof shall apply on a daily pro-rata basis for any portion of a month prior to the cure of an Event.

(iii) In the event that the Corporation is unable for any reason to include in the Registration Statement required to be filed under Section 3.4(a)(i) all of the Registrable Securities, then the Corporation shall use its reasonable best efforts to file and cause to be declared effective additional Registration Statements, in order to uphold its obligations under Section 3.4(a)(i), as promptly as practicable. If not all Registrable Securities may be included in any one Registration Statement, then the Registrable Securities to be included shall be allocated among Holders of such Registrable Securities on a pro rata basis based on the total number of Registrable Securities held by all Holders that have not been included in a Registration Statement.

(b) Registration Procedures. In connection with the Corporation' s registration obligations hereunder, the Corporation shall:

(i) Not less than seven Trading Days prior to the filing of any Registration Statement and not less than two Trading Days prior to the filing of any related Prospectus or any amendment or supplement thereto, (A) furnish to each Holder copies of all such documents proposed to be filed, which documents (other than those incorporated or deemed to be incorporated by reference) will be subject to the review of such Holders, and (B) cause its officers and directors, counsel and

independent certified public accountants to respond to such inquiries as shall be necessary, in the reasonable opinion of respective counsel to each Holder, to conduct a reasonable investigation within the meaning of the Securities Act; and not file a Registration Statement or any such Prospectus or any amendments or supplements thereto to which the Holders of 67% of the Registrable Securities shall reasonably object in good faith, provided that the Corporation is notified of such objection in writing no later than 5 Trading Days after the Holders have been so furnished copies of a Registration Statement or 1 Trading Day after the Holders have been so furnished copies of any related Prospectus or amendments or supplements thereto. Each Holder agrees to furnish to the Corporation a completed questionnaire in the form attached to this Agreement as Annex B or other form reasonably acceptable to the Corporation (a "Selling Stockholder Questionnaire") not less than 2 Trading Days prior to the Filing Date or by the end of the 4th Trading Day following the date on which such Holder receives draft materials in accordance with this Section. During any periods that the Corporation is unable to meet its obligations hereunder with respect to the registration of the Registrable Securities because the Holders of 67% of the Registrable Securities exercise their rights under this section to object to the filing of a Registration Statement, any liquidated damages that are accruing, at such time shall be tolled and any Event that may otherwise occur because of the exercise of such rights or such delay shall be suspended, until the Holders of 67% of the Registrable Securities no longer object to the filing of such Registration Statement (provided that such tolling shall only occur if the Corporation uses commercially reasonable efforts to resolve such objection). If any Holder fails to furnish its Selling Stockholder Questionnaire related to a particular Registration Statement not less than 2 Trading Days prior to the Filing Date or by the end of the 4th Trading Day following the date on which

such Holder receives draft materials in accordance with this Section, any liquidated damages that are accruing, as well as any other rights of such Holder under this Agreement with regard to such Registration Statement, including without limitation, the right to include such Holder' s Registrable Securities in such Registration Statement, shall be tolled as to such Holder until such information is received by the Corporation; provided, however, that the Corporation shall use commercially reasonable efforts to include such Registrable Securities in such Registration Statement or the next most available Registration Statement as soon as possible after such information is furnished to the Corporation.

(ii) (A) Prepare and file with the Commission such amendments, including post-effective amendments, to a Registration Statement and the Prospectus used in connection therewith as may be necessary to keep a Registration Statement continuously effective as to the applicable Registrable Securities for the Effectiveness Period and prepare and file with the Commission such additional Registration Statements in order to register for resale under the Securities Act all of the Registrable Securities; (B) cause the related Prospectus to be amended or supplemented by any required Prospectus supplement (subject to the terms of this Agreement), and as so supplemented or amended to be filed pursuant to Rule 424; (C) respond as promptly as reasonably possible to any comments received from the Commission with respect to a Registration Statement or any amendment thereto and provide as promptly as reasonably possible to the Holders true and complete copies of all correspondence from and to the Commission relating to a Registration Statement (provided that the Corporation may excise any information contained therein which would constitute material non-public information as to any Holder which has not executed a confidentiality agreement with the Corporation); and (D) comply in all material respects with the provisions of the Securities Act and the Exchange Act with respect to the disposition of all Registrable Securities covered by a Registration Statement during the applicable period in accordance (subject to the terms of this Agreement) with the intended methods of disposition by the Holders thereof set forth in such Registration Statement as so amended or in such Prospectus as so supplemented.

(iii) If during the Effectiveness Period, the number of Registrable Securities at any time exceeds 100% of the number of shares of Common Stock then registered in a Registration Statement, file as soon as reasonably practicable an additional Registration Statement covering the resale by the Holders of not less than the number of such Registrable Securities.

(iv) Notify the Holders of Registrable Securities to be sold (which notice shall, pursuant to clauses (C) through (F) hereof, be accompanied by an instruction to suspend the use of the Prospectus until the requisite changes have been made) as promptly as reasonably possible (and, in the case of (A)(1) below, not less than 1 Trading Day prior to such filing, in the case of (C) and (D) below, not more than 1 Trading Day after such issuance or receipt and, in the case of (E) below, not less than 3 Trading Days prior to the financial statements in any Registration Statement becoming ineligible for inclusion therein) and (if requested by any such Person) confirm such notice in writing no later than 1 Trading Day following the day (A)(1) when a Prospectus or any Prospectus supplement or post-effective amendment to a Registration Statement is proposed to be filed; (2) when the Commission notifies the Corporation whether there will be a "review" of such Registration Statement and whenever the Commission comments in writing on such Registration Statement (in which case the Corporation shall provide true and complete copies thereof and all written responses thereto to each of the Holders that pertain to the Holders as a selling stockholder or to the Plan of Distribution, but not information which the Corporation believes would constitute material and non-public information); and (3) with respect to a Registration Statement or any post-effective amendment, when the same has become effective; (B) of any request by the Commission or any other federal or state governmental authority for amendments or supplements to a Registration Statement or Prospectus or for additional information; (C) of the issuance by the Commission or any other federal or state governmental authority of any stop order suspending the effectiveness of a Registration Statement covering any or all of the Registrable Securities or the initiation of any Proceedings for that purpose; (D) of the receipt by the Corporation of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction, or the initiation or threatening of any Proceeding for such purpose; (E) of the occurrence of any event or passage of time that makes the financial statements included in a Registration Statement ineligible for inclusion therein or any statement made in a Registration Statement or Prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or that requires any revisions to a Registration Statement, Prospectus or other documents so that, in the case of a Registration Statement or the Prospectus, as the case may be, it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and (F) the occurrence or existence of any pending corporate development with respect to the Corporation that the Corporation believes may be material and that, in the good faith determination of the Corporation, based on the advice of counsel, makes it not in the best interest of the Corporation to allow continued

availability of a Registration Statement or Prospectus, provided that any and all of such information shall remain confidential to each Holder until such information otherwise becomes public, unless disclosure by a Holder is required by law; provided, further, that notwithstanding each Holder' s agreement to keep such information confidential, the Holders make no acknowledgement that any such information is material, non-public information.

(v) Use its reasonable best efforts to avoid the issuance of, or, if issued, obtain the withdrawal of (A) any order suspending the effectiveness of a Registration Statement, or (B) any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction, at the earliest practicable moment.

(vi) If requested by a Holder, furnish to such Holder, without charge (A) at least one conformed copy of each such Registration Statement and each amendment thereto, including financial statements and schedules, all documents incorporated or deemed to be incorporated therein by reference to the extent requested by such Person, and all exhibits to the extent requested by such Person (including those previously furnished or incorporated by reference) promptly after the filing of such documents with the Commission, and (B) during the Effectiveness Period, as many copies of the Prospectus included in the Registration Statement and any amendment or supplement thereto as such

Holder may reasonably request; provided, however, that the Corporation shall have no obligation to provide any document pursuant to this clause that is available on the Commission' s EDGAR system.

(vii) Subject to the terms of this Agreement, consent to the use of each Prospectus and each amendment or supplement thereto by each of the selling Holders in connection with the offering and sale of the Registrable Securities covered by such Prospectus and any amendment or supplement thereto, except after the giving of any notice pursuant to Section 3.4(b)(iv).

(viii) Effect a filing with respect to the public offering contemplated by the Registration Statement (an "Issuer Filing") with the Financial Industry Regulatory Authority ("FINRA") Corporate Financing Department pursuant to FINRA Rule 5110 within 1 Trading Day of the date that the Registration Statement is first filed with the Commission and pay the filing fee required by such Issuer Filing; and use commercially reasonable efforts to pursue the Issuer Filing until FINRA issues a letter confirming that it does not object to the terms of the offering contemplated by the Registration Statement.

(ix) Prior to any resale of Registrable Securities by a Holder, use its reasonable best efforts to register or qualify or cooperate with the selling Holders in connection with the registration or qualification (or exemption from the registration or qualification) of such Registrable Securities for the resale by the Holder under the securities or blue sky laws of such jurisdictions within the United States as any Holder reasonably requests in writing, to keep each registration or qualification (or exemption therefrom) effective during the Effectiveness Period and to do any and all other acts or things reasonably necessary to enable the disposition in such jurisdictions of the Registrable Securities covered by a Registration Statement; provided, that the Corporation shall not be required to qualify generally to do business in any jurisdiction where it is not then so qualified, subject the Corporation to any material tax in any such jurisdiction where it is not then so subject or file a general consent to service of process in any such jurisdiction.

(x) If requested by the Holders, cooperate with the Holders to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be delivered to a transferee pursuant to a Registration Statement, which certificates shall be free, to the extent permitted by the Stock Purchase Agreement, of all restrictive legends, and to enable such Registrable Securities to be in such denominations and registered in such names as any such Holders may request. In connection therewith, if required by the Corporation' s transfer agent, the Corporation shall promptly after the effectiveness of a Registration Statement cause an opinion of counsel as to the effectiveness of the Registration Statement to be delivered to and maintained with the transfer agent, together with any other authorizations, certificates and directions required by the transfer agent, which authorize and direct the transfer agent to issue such Registrable Securities without legend upon sale by the holder of such shares of Registrable Securities under the Registration Statement.

(xi) Upon the occurrence of any event contemplated by this Section 3.4(b), as promptly as reasonably possible under the circumstances taking into account the Corporation' s good faith assessment of any adverse consequences to the Corporation and its stockholders of the premature disclosure of such event, prepare a supplement or amendment, including a post-effective amendment, to a Registration Statement or a supplement to the related Prospectus or any document incorporated or deemed to be incorporated therein by reference, and file any other required document so that, as thereafter delivered, neither a Registration Statement nor Prospectus will contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. If the Corporation notifies and instructs the Holders in accordance with clauses (iii) through (vi) of Section 3.4(b)(iv) above to suspend the use of any Prospectus until the requisite changes to such

Prospectus have been made, then the Holders shall suspend use of such Prospectus; use its reasonable best efforts to ensure that the use of the Prospectus may be resumed as promptly as is practicable; and be entitled to exercise its right under this Section 3.4(b)(xi) to suspend the availability of a Registration Statement and Prospectus, subject to the payment of partial liquidated damages pursuant to Section 3.4(a)(ii), for a period not to exceed 40 calendar days (which need not be consecutive days) in any 12 month period.

(xii) Comply with all applicable rules and regulations of the Commission.

(c) The Corporation may require each selling Holder to furnish to the Corporation a certified statement as to the number of shares of Common Stock beneficially owned by such Holder and any affiliate thereof and as to any FINRA affiliations and, if required by the Commission, of any natural persons that have voting and dispositive control over the Registrable Securities. During any periods that the Corporation is unable to meet its obligations hereunder with respect to the registration of the Registrable Securities solely because any Holder fails to furnish such information within 3 Trading Days of the Corporation' s request, any liquidated damages that are accruing at such time as to such Holder only, as well as any other rights of such Holder under this Agreement, including without limitation, the right to include such Holder' s Registrable Securities in a Registration Statement shall be tolled and any Event that may otherwise occur solely because of such delay shall be suspended as to such Holder only, until such information is delivered to the Corporation; provided, however, that the Corporation shall use commercially reasonable efforts to include such Registrable Securities in such Registration Statement or the next most available Registration Statement as soon as possible after such information is furnished to the Corporation.

3.5 Piggyback Registration.

(a) Each time that the Corporation proposes for any reason to register any of its securities under the Securities Act, other than pursuant to a registration statement on Form S-4, Form S-8 or Form S-1 or similar or successor forms, but in regard to Form S-1 only in connection with the initial public offering of the Corporation' s Common Stock (collectively, "Excluded Forms"), the Corporation shall promptly give written notice of such proposed registration to all holders of Registrable Securities, which notice shall also constitute an offer to such holders to request inclusion of any Registrable Shares in the proposed registration.

(b) Each holder of Registrable Securities shall have 30 days from the receipt of such notice to deliver to the Corporation a written request specifying the number of Registrable Shares such holder intends to sell and the holder' s intended method of disposition.

(c) In the event that the proposed registration by the Corporation is, in whole or in part, an underwritten public offering of securities of the Corporation, any request under Section 3.5(b) may specify that the Registrable Shares be included in the underwriting (i) on the same terms and conditions as the shares of Common Stock, if any, otherwise being sold through underwriters under such registration, or (ii) on terms and conditions comparable to those normally applicable to offerings of common stock in reasonably similar circumstances in the event that no shares of Common Stock other than Registrable Shares are being sold through underwriters under such registration.

(d) Upon receipt of a written request pursuant to Section 3.5(b), the Corporation shall promptly use its best efforts to cause all such Registrable Shares to be registered under the Securities Act, to the extent required to permit sale or disposition as set forth in the written request.

(e) Notwithstanding the foregoing, if the managing underwriter of any such proposed registration determines and advises in writing that the inclusion of all Registrable Shares proposed to be included in the underwritten public offering, together with any other issued and outstanding shares of Common Stock proposed to be included therein by holders other than the holders of Registrable Securities (such other shares hereinafter collectively referred to as the "Other Shares") would interfere with the successful marketing of the Corporation' s securities, then the total number of such securities proposed to be included in such underwritten public offering shall be reduced, (i) first by the shares requested to be included in such registration by the holders of Other Shares, (ii) second, if necessary by all Registrable Securities which are not Series A-2 Registrable Securities, Series A-3 Registrable Securities or Series A-1 Registrable Securities, and (iii) third, if necessary, (A) one-half (1/2) by the securities proposed to be issued by the Corporation, and (B) one-half (1/2) by the holders of Series A-2 Registrable Shares, Series A-3 Registrable Shares and/or Series A-1 Registrable Shares proposed to be included in such registration by the holders thereof, on a pro rata basis calculated based upon the number of Registrable Shares, Series A-2 Registrable Shares, Series A-3 Registrable Shares or Series A-1 Registrable Shares sought to be registered by each such holder; provided, that the aggregate number of securities proposed to be included in such registration by the holders of Series A-2 Registrable Shares, Series A-3 Registrable Shares and/or Series A-1 Registrable Shares shall only be reduced hereunder if and to the extent that such securities exceed twenty-five percent (25%) of the aggregate number of securities included in such registration. The shares of Common Stock that are excluded from the underwritten public offering pursuant to the preceding sentence shall be withheld from the market by the holders thereof for a period, not to exceed 90 days from the closing of such underwritten public offering, that the managing underwriter reasonably determines as necessary in order to effect such underwritten public offering.

3.6 Registrations on Form S-3. At such time as the Registration Statement contemplated by Section 3.4 shall no longer be effective, each holder of Registrable Securities shall have the right to request in writing an unlimited number of registrations on Form S-3. Each such request by a holder shall: (a) specify the number of Registrable Shares which the holder intends to sell or dispose of, (b) state the intended method by which the holder intends to sell or dispose of such Registrable Shares, and (c) request registration of Registrable Shares having a proposed aggregate offering price of at least $1,000,000. Upon receipt of an adequate request pursuant to this Section 3.6, the Corporation shall use its best efforts to effect such registration or registrations on Form S-3.

3.7 Preparation and Filing. If and whenever the Corporation is under an obligation pursuant to the provisions of Sections 3.5 and/or 3.6 to use its best efforts to effect the registration of any Registrable Shares, the Corporation shall, as expeditiously as practicable:

(a) prepare and file with the Commission a registration statement with respect to such securities and use its best efforts to cause such registration statement to become and remain effective in accordance with Section 3.7(b) hereof;

(b) prepare and file with the Commission such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective until the earlier of (i) the sale of all Registrable Shares covered thereby or (ii) nine months from the date such registration statement first becomes effective, and to comply with the provisions of the Securities Act with respect to the sale or other disposition of all Registrable Shares covered by such registration statement;

(c) furnish to each holder whose Registrable Shares are being registered pursuant to this Section 3 such number of copies of any summary prospectus or other prospectus, including a preliminary prospectus, in conformity with the requirements of the Securities Act, and such other documents as such holder may reasonably request in order to facilitate the public sale or other disposition of such Registrable Shares;

(d) use its best efforts to register or qualify the Registrable Shares covered by such registration statement under the securities or blue sky laws of such jurisdictions as each holder whose Registrable Shares are being registered pursuant to this Section 3 shall reasonably request, and do any and all other acts or things which may be necessary or advisable to enable such holder to consummate the public sale or other disposition in such jurisdictions of such Registrable Shares; provided, however, that the Corporation shall not be required to consent to general service of process for all purposes in any jurisdiction where it is not then subject to process, qualify to do business as a foreign corporation where it would not be otherwise required to qualify or submit to liability for state or local taxes where it is not otherwise liable for such taxes;

(e) at any time when a prospectus covered by such registration statement and relating thereto is required to be delivered under the Securities Act within the appropriate period mentioned in Section 3.7(b) hereof, notify each holder whose Registrable Shares are being registered pursuant to this Section 3 of the happening of any event as a result of which the prospectus included in such registration, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing and, at the request of such holder, prepare, file and furnish to such holder a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such shares, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing;

(f) if the Corporation has delivered preliminary or final prospectuses to the holders of Registrable Shares that are being registered pursuant to this Section 3 and after having done so the prospectus is amended to comply with the requirements of the Securities Act, the Corporation shall promptly notify such holders and, if requested, such holders shall immediately cease making offers of Registrable Shares and return all prospectuses to the Corporation. The Corporation shall promptly provide such holders with revised prospectuses and, following receipt of the revised prospectuses, such holders shall be free to resume making offers of the Registrable Shares; and

(g) furnish, at the request of any holder whose Registrable Shares are being registered pursuant to this Section 3, on the date that such Registrable Shares are delivered to the underwriters for sale in connection with a registration pursuant to this Section 3 if such securities are being sold through underwriters, or on the date that the registration statement with respect to such securities becomes effective if such securities are not being sold through underwriters, (i) an opinion, dated such date, of the counsel representing the Corporation for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering, addressed to the underwriters, if any, and to the holder or holders making such request, and (ii) a letter dated such date, from the independent certified public accountants of the Corporation, in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering, addressed to the underwriters, if any, and to the holder or holders making such request.

3.8 Expenses. The Corporation shall pay all expenses incurred by the Corporation in complying with this Section 3, including, without limitation, all registration and filing fees (including

all expenses incident to filing with the FINRA), fees and expenses of complying with the securities and blue sky laws of all such jurisdictions in which the Registrable Shares are proposed to be offered and sold, printing expenses and fees and disbursements of counsel (including with respect to each registration effected pursuant to Sections 3.4, 3.5 and 3.6, the reasonable fees and disbursements of a counsel for the holders of Registrable Shares that are being registered pursuant to this Section 3, such counsel for the holders of Registrable Shares shall be designated by a vote of a majority of the holders of Registrable Shares to be included in such registration, determined in accordance with Article III, Section A.6(a) of the Certificate); provided, however, that all underwriting discounts and selling commissions applicable to the Registrable Shares covered by registrations effected pursuant to Section 3.4, 3.5 or 3.6 hereof shall be borne by the seller or sellers thereof, in proportion to the number of Registrable Shares sold by each such seller or sellers.

3.9 Indemnification.

(a) In the event of any registration of any Registrable Shares under the Securities Act pursuant to this Section 3 or registration or qualification of any Registrable Shares pursuant to Section 3.7(d) hereof, the Corporation shall indemnify and hold harmless the seller of such shares, each underwriter of such shares, if any, each broker or any other person acting on behalf of such seller and each other person, if any, who controls any of the foregoing persons, within the meaning of the Securities Act, against any losses, claims, damages or liabilities, joint or several, to which any of the foregoing persons may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any registration statement under which such Registrable Shares were registered under the Securities Act, any preliminary prospectus or final prospectus contained therein, or any amendment or supplement thereto, or any document incident to registration or qualification of any Registrable Shares pursuant to Section 3.7(d) hereof or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading or, with respect to any prospectus, necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or any violation by the Corporation of the Securities Act or any state securities or blue sky laws applicable to the Corporation and relating to action or inaction required of the Corporation in connection with such registration or qualification under the Securities Act or such state securities or blue sky laws. The Corporation shall reimburse on demand such seller, underwriter, broker or other person acting on behalf of such seller and each such controlling person for any legal or any other expenses reasonably incurred by any of them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the Corporation shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in said registration statement, preliminary or final prospectus or amendment or supplement thereto or any document incident to registration or qualification of any Registrable Shares pursuant to Section 3.7(d) hereof, in reliance upon and in conformity with written information furnished to the Corporation by such seller, underwriter, broker, other person or controlling person specifically for use in the preparation hereof.

(b) Before Registrable Shares held by any prospective seller shall be included in any registration pursuant to this Section 3, such prospective seller and any underwriter acting on its behalf shall have agreed to indemnify and hold harmless (in the same manner and to the same extent as set forth in paragraph (a)) the Corporation, each director of the Corporation, each officer of the Corporation who signs such registration statement and any person who controls the Corporation within the meaning of the Securities Act, with respect to any untrue statement or omission from such registration statement, any preliminary prospectus or final prospectus contained therein, or any amendment or supplement thereto, if such untrue statement or omission was made in reliance upon and in conformity

with written information furnished to the Corporation through an instrument duly executed by such seller or such underwriter specifically for use in the preparation of such registration statement, preliminary prospectus, final prospectus or amendment or supplement; provided, however, that the maximum amount of liability in respect of such indemnification shall be limited, in the case of each prospective seller, to an amount equal to the net proceeds actually received by such prospective seller from the sale of Registrable Shares effected pursuant to such registration.

(c) Promptly after receipt by an indemnified party of notice of the commencement of any action involving a claim referred to in Section 3.9(a) or (b) hereof, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 3.9, give written notice to the latter of the commencement of such action. In case any such action is brought against an indemnified party, the indemnifying party will be entitled to participate in and to assume the defense thereof jointly with any other indemnifying party similarly notified to the extent that it may wish, with counsel reasonably satisfactory to such indemnified party, and, after notice to such indemnified party from the indemnifying party of its election to assume the defense thereof, the indemnifying party shall be responsible for any legal or other expenses subsequently incurred by such indemnifying party in connection with the defense thereof; provided, however, that, if any indemnified party shall have reasonably concluded that there may be one or more legal defenses available to such indemnified party which are different from or additional to those available to the indemnifying party, or that such claim or litigation involves or could have an effect upon matters beyond the scope of the indemnity agreement provided in this Section 3.9, the indemnifying party shall not have the right to assume the defense of such action on behalf of such indemnified party, and such indemnifying party shall reimburse such indemnified party and any person controlling such indemnified party for the fees and expenses of counsel retained by the

indemnified party which are reasonably related to the matters covered by the indemnity agreement provided in this Section 3.9. The indemnifying party shall not make any settlement of any claims in respect of which it is obligated to indemnify an indemnified party or parties hereunder, without the written consent of the indemnified party or parties, which consent shall not be unreasonably withheld.

(d) In order to provide for just and equitable contribution to joint liability under the Securities Act, in any case in which either (i) any holder of Registrable Shares exercising rights under this Agreement, or any controlling person of any such holder, makes a claim for indemnification pursuant to this Section 3.9, but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case notwithstanding the fact that this Section 3.9 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any such holder or any such controlling person in circumstances for which indemnification is provided under this Section 3.9; then, in each such case, the Corporation and such holder will contribute to the aggregate losses, claims, damages or liabilities to which they may be subject as is appropriate to reflect the relative fault of the Corporation and such holder in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities, it being understood that the parties acknowledge that the overriding equitable consideration to be given effect in connection with this provision is the ability of one party or the other to correct the statement or omission which resulted in such losses, claims, damages or liabilities, and that it would not be just and equitable if contribution pursuant hereto were to be determined by pro rata allocation or by any other method of allocation which does not take into consideration the foregoing equitable considerations. Notwithstanding the foregoing, (i) no such holder will be required to contribute any amount in excess of the proceeds to it of all Registrable Shares sold by it pursuant to such registration statement, and (ii) no person or entity guilty of fraudulent misrepresentation, within the meaning of Section 11(f) of the Securities Act, shall be entitled to contribution from any person or entity who is not guilty of such fraudulent misrepresentation.

(e) Notwithstanding any of the foregoing, if, in connection with an underwritten public offering of any Registrable Shares, the Corporation, the holders of such Registrable Shares and the underwriters enter into an underwriting or purchase agreement relating to such offering which contains provisions covering indemnification among the parties, then the indemnification provision of this Section 3.9 shall be deemed inoperative for purposes of such offering.

3.10 Removal of Legends, Etc. Notwithstanding the foregoing provisions of this Section 3, the restrictions imposed by this Section 3 upon the transferability of any Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock shall cease and terminate when (a) any such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock are sold or otherwise disposed of in accordance with the intended method of disposition by the seller or sellers thereof set forth in a registration statement or such other method contemplated by Section 3.3 hereof that does not require that the securities transferred bear the legend set forth in Section 3.2 hereof, including a Transfer pursuant to Rule 144 or a successor rule thereof (as amended from time to lime), or (b) the holder of Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock has met the requirements for transfer of such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock pursuant to subparagraph (b)(1) of Rule 144 or a successor rule thereof (as amended from time to time) promulgated by the Commission under the Securities Act. Whenever the restrictions imposed by this Section 3 have terminated, a holder of a certificate for Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock as to which such restrictions have terminated shall be entitled to receive from the Corporation, without expense, a new certificate not bearing the restrictive legend set forth in Section 3.2 hereof and not containing any other reference to the restrictions imposed by this Section 3. Notwithstanding the above, nothing herein shall limit the restrictions imposed upon transfer of the Restricted Securities pursuant to Section 8 hereof nor the imposition of the legend provided for therein.

3.11 Lock-up Agreement.

(a) Each Stockholder agrees that, during the 180-day period following the date hereof, such Stockholder will not, without the prior written consent of the Company, sell, assign, transfer, make a short sale of, loan, grant any option for the purchase of, or exercise registration rights with respect to any shares of Common Stock or shares of capital stock or other securities of the Corporation convertible into or exercisable for, whether directly or indirectly, shares of Common Stock, other than to a member of such Stockholder' s

Group; provided, however, that notwithstanding the foregoing but subject to the provisions of Section 3.11(b) below, (i) on or at any time after each of the dates listed in the table below under the caption "Initial Lock-up Release Date", such Stockholder shall be permitted to sell, assign, transfer, make a short sale of, loan, or grant any option for the purchase of, with respect to that number of shares of Common Stock issued or issuable upon conversion of shares of Series A-1 Conversion Shares (the "Series A-1 Conversion Shares") held or issuable to such Stockholder that corresponds to a percentage of the total number of Series A-1 Conversion Shares held or issuable to such Stockholder at such time, which percentage is set forth in the table below under the caption "Initial Lock-up Release Percentage".

Initial Lock-up Release Date	Initial Lock-up Release Percentage
30th day after the date of this Agreement	5%
60th day after the date of this Agreement	15%
90th day after the date of this Agreement	30%
120th day after the date of this Agreement	50%

(b) Notwithstanding the foregoing, (A) subject to clause (C) below, the restriction on transfer set forth in Section 3.11(a) above shall not apply to block trades of 10,000 shares or more of the Series A-1 Conversion Shares, (B) subject to clause (C) below, if, on or at any time after any date listed in the table set forth in Section 3.11(a) above, the average of the closing bid and ask price of the Company' s Common Stock if quoted on any electronic quotation system, including but not limited to the OTC:BB for the five (5) trading days ending on such date, or the average last-sale price of the Company' s Common Stock if listed on a national securities exchange for the five (5) trading days ending on such date, is greater than $16.29 per share (subject to proportionate and equitable adjustment upon any stock split, stock dividend, reverse stock split or similar event that becomes effective after the date of this Agreement), the percentage in the table set forth in Section 3.11(a) above that corresponds to such date shall be doubled and (C) in no event shall any Stockholder be permitted, during the period commencing on the date hereof and ending on the date of the listing of the Company' s Common Stock on a national securities exchange, to sell, assign, transfer, make a short sale of, loan, grant any option for the purchase of, or exercise registration rights with respect to any Series A-1 Conversion Shares for a price less than $8.142 (subject to proportionate and equitable adjustment upon any stock split, stock dividend, reverse stock split or similar event that becomes effective after the date of this Agreement), except (x) with the prior written consent of the Company or (y) to a member of such Stockholder' s Group.

(c) Each Stockholder agrees further that, if the Company or a managing underwriter so requests of such Stockholder in connection with a registered public offering of securities of the Company, such Stockholder will not, without the prior written consent of the Company or such underwriters, sell, assign, transfer, make a short sale of, loan, grant any option for the purchase of, or exercise registration rights with respect to any shares of Common Stock or shares of capital stock or other securities of the Corporation convertible into or exercisable for, whether directly or indirectly, shares of Common Stock, other than to a member of such Stockholder' s Group, during the period of (i)180 days following the closing of the first public offering of securities offered and sold for the account of the Corporation that is registered under the Securities Act, or (ii) 90 days following the closing of any other public offering of securities offered and sold for the account of the Corporation that is registered under the Securities Act ; provided that such request is made of all officers, directors and 1% and greater Stockholders and each such person shall be similarly bound; and, provided, further, that nothing in this Section 3.11(c) shall prevent any Stockholder from participating in any registered public offering of the Corporation as a selling stockholder or security holder.

(d) In the event that the Corporation releases or causes to be released any Stockholder from any restrictions on transfer set forth in the foregoing provisions of this Section 3.11, the Corporation shall release or cause to be released all other Stockholders in similar fashion and any such release of all Stockholders shall be implemented on a pro rata basis.

3.12 Duration of Section. With respect to each holder of Registrable Shares, Sections 3.4, 3.5 and 3.6 shall automatically terminate for that holder on the fourth anniversary of the Filing Date.

SECTION 4. Election of Directors.

4.1 Voting for Directors. At the first annual meeting of the Stockholders of the Corporation after the Stage I Closing, and thereafter at each annual meeting and each special meeting of the Stockholders of the Corporation called for the purposes of electing directors of the Corporation, and at any time at which Stockholders of the Corporation shall have the right to, or shall, vote or consent to the election of directors, then, in each such event, each Stockholder shall vote all shares of Preferred Stock, Common Stock and any other shares of voting stock of the Corporation then owned (or controlled as to voting rights) by it, him or her, whether by purchase, exercise of rights, warrants or options, stock dividends or otherwise:

(a) to fix and maintain the number of directors on the Board at seven (7);

(b) to the extent entitled under the Certificate as in effect as of the date of this Agreement, to elect as Directors of the Corporation on the date hereof and in any subsequent election of Directors the following individuals:

(i) in the case of the two (2) directors to be elected by the holders of Series A-1 Preferred Stock under the Certificate, two (2) individuals to be designated by the affirmative vote or written consent of the holders of a majority of the outstanding shares of Series A-1 Preferred Stock (the "Series A-1 Directors"), who shall initially be Ansbert Gadicke and Martin Muenchbach.

(ii) in the case of the one (1) director to be elected by the G3 Holders (as defined in the Certificate), one (1) director to be designated by the affirmative vote or written consent of those G3 Holders holding a majority of the shares held by the G3 Holders (the "Specified Preferred Director"), who shall initially be Jonathan Fleming, provided, however, that in order to be eligible to vote or consent with respect to the designation of an individual as a nominee for election as the Specified Preferred Director, a G3 Holder together with members of such G3 Holders' Group must hold greater than twenty percent (20%) of the Preferred Stock purchased under the Series A-1 Stock Purchase Agreement by such G3 Holder and members of such G3 Holders' Group;

(iii) in the case of the one (1) director to be elected by MPM, one (1) director to be designated by the affirmative vote or written consent of MPM, provided that such director be an individual with particular expertise in the development of pharmaceutical products, as reasonably determined by MPM, if any (the "Industry Expert Director" and together with the Series A-1 Directors and the Specified Preferred Director, the "Investor Directors"), who shall initially be Elizabeth Stoner, provided, further, however, that in order to be eligible to vote or consent with respect to the designation of an individual as a nominee for election as the Industry Expert Preferred Director, MPM together with members of the MPM Group must hold greater than twenty percent (20%) of the Preferred Stock purchased under the Series A-1 Stock Purchase Agreement by MPM and members of the MPM Group.

(iv) in the case of the remaining directors to be elected by the holders of Preferred Stock and Common Stock, voting together as a single class, under the Certificate, three (3) individuals as follows:

a. two industry or market experts, each of whom shall be designated by a majority of the other members of the Board, including a majority of the Investor Directors (the "Independent Directors"), and who shall initially be Alan Auerbach and Kurt Graves; and

b. the Chief Executive Officer of the Corporation, who shall initially be Richard Lyttle.

4.2 Observer Rights.

(a) HCV VII shall have the right to appoint an observer to the Board (the "HCV Observer") as long as HCV VII, together with members of the HCV Group, holds greater than seventy five percent (75%) of the Series A-1 Preferred Stock originally purchased by HCV VII and members of the HCV Group pursuant to the Purchase Agreement. The HCV Observer shall have the right to attend all meetings of the Board in a non-voting observer capacity, and the Corporation shall provide to the HCV Observer all materials provided to the members of the Board and notice of such meetings, all in the manner and at the time provided to the members of the Board; provided, however, that the Corporation reserves the right to exclude such representatives from access to any material or meeting or portion thereof if the Corporation believes upon advice of counsel that such exclusion is necessary to preserve the attorney-client privilege or to protect highly confidential information, the disclosure of which should not be made to any person who does not have a fiduciary or other similar duty to the Corporation. The decision of the Board with respect to the privileged or confidential nature of such information shall be final and binding. HCV VII' s rights under this Section 4.2(a) may only be assigned in connection with the transfer of all of the Preferred Stock held by HCV VII to the assignee. In addition and without limiting the foregoing, in the event that HCV VII appoints any person to be the HCV Observer under this Section 4.2(a) who, in the good faith determination of the Board, has conflicting interests with the Corporation, then the Corporation shall have the right, at any time and from time to time, to exclude the HCV Observer from access to any meeting, or any portion thereof, and/or deny the HCV Observer access to any information and documents, or any portions thereof.

(b) Saints Capital IV, L.P. ("Saints") shall have the right to appoint an observer to the Board (the "Saints Observer") as long as Saints, together with other members of the Saints/Oxford Group, holds greater than seventy-five percent (75%) of the Series A-1 Preferred Stock originally purchased by Saints and the other member of the Saints/Oxford Group pursuant to the Purchase Agreement. The Saints Observer shall have the right to attend all meetings of the Board in a non-voting observer capacity, and the Corporation shall provide to the Saints Observer all materials provided to the members of the Board and notice of such meetings, all in the manner and at the time provided to the members of the Board; provided, however, that the Corporation reserves the right to exclude such representatives from access to any material or meeting or portion thereof if the Corporation believes upon advice of counsel that such exclusion is necessary to preserve the attorney-client privilege or to protect highly confidential information, the disclosure of which should not be made to any person who does not have a fiduciary or other similar duty to the Corporation. The decision of the Board with respect to the privileged or confidential nature of such information shall be final and binding. Saints' rights under this Section 4.2(b) may only be assigned in connection with the transfer of all of the Preferred Stock held by Saints to the assignee. In addition and without limiting the foregoing, in the event that Saints appoints any person to be the Saints Observer under this Section 4.2(b) who, in the good faith determination of the Board, has conflicting interests with the Corporation, then the Corporation shall have the right, at any time and from time to time, to exclude the Saints Observer from access to any meeting, or any portion thereof, and/or deny the Saints Observer access to any information and documents, or any portions thereof.

(c) Brookside shall have the right to appoint an observer to the Board (the "Brookside Observer") as long as Brookside, together with other members of the Brookside Group, holds greater than seventy-five percent (75%) of the Series A-1 Preferred Stock originally purchased by Brookside and the other member of the Brookside Group pursuant to the Purchase Agreement. The Brookside Observer shall have the right to attend all meetings of the Board in a non-voting observer

capacity, and the Corporation shall provide to the Brookside Observer all materials provided to the members of the Board and notice of such meetings, all in the manner and at the time provided to the members of the Board; provided, however, that the Corporation reserves the right to exclude such representatives from access to any material or meeting or portion thereof if the Corporation believes upon advice of counsel that such exclusion is necessary to preserve the attorney-client privilege or to protect highly confidential information, the disclosure of which should not be made to any person who does not have a fiduciary or other similar duty to the Corporation. The decision of the Board with respect to the privileged or confidential nature of such information shall be final and binding. Brookside' s rights under this Section 4.2(c) may only be assigned in connection with the transfer of all of the Preferred Stock held by Brookside to the assignee. In addition and without limiting the foregoing, in the event that Brookside appoints any person to be the Brookside Observer under this Section 4.2(c) who, in the good faith determination of the Board, has conflicting interests with the Corporation, then the Corporation shall have the right, at any time and from time to time, to exclude the Brookside Observer from access to any meeting, or any portion thereof, and/or deny the Brookside Observer access to any information and documents, or any portions thereof.

(d) Wellcome shall have the right to appoint an observer to the Board (the "Wellcome Observer") as long as Wellcome holds greater than seventy five percent (75%) of the Series A-1 Preferred Stock originally purchased by Wellcome pursuant to the Purchase Agreement. The Wellcome Observer shall have the right to attend all meetings of the Board in a non-voting observer capacity, and the Corporation shall provide to the Wellcome Observer all materials provided to the members of the Board and notice of such meetings, all in the manner and at the time provided to the members of the Board; provided, however, that the Corporation reserves the right to exclude such representatives from access to any material or meeting or portion thereof if the Corporation believes upon advice of counsel that such exclusion is necessary to preserve the attorney-client privilege or to protect highly confidential information, the disclosure of which should not be made to any person who does not have a fiduciary or other similar duty to the Corporation. The decision of the Board with respect to the privileged or confidential nature of such information shall be final and binding. Wellcome' s rights under this Section 4.2(a) may only be assigned in connection with the transfer of all of the Preferred Stock held by Wellcome to the assignee. In addition and without limiting the foregoing, in the event that Wellcome appoints any person to be the Wellcome Observer under this Section 4.2(a) who, in the good faith determination of the Board, has conflicting interests with the Corporation, then the Corporation shall have the right, at any time and from time to time, to exclude the Wellcome Observer from access to any meeting, or any portion thereof, and/or deny the Wellcome Observer access to any information and documents, or any portions thereof.

4.3 Cooperation of the Corporation. The Corporation shall use its best efforts to effectuate the purposes of this Section 4, including (i) taking such actions as are necessary to convene annual and/or special meetings of the Stockholders for the election of directors and (ii) promoting the adoption of any necessary amendment of the by-laws of the Corporation and the Certificate.

4.4 Notices. The Corporation shall provide the Series A-1 Stockholders, MPM and the Specified Preferred Holders with at least twenty (20) days' prior notice in writing of any intended mailing of notice to the Stockholders of a meeting at which directors are to be elected, and such notice shall include the names of the persons designated by the Corporation pursuant to this Section 4. The Series A-1 Stockholders, MPM and the Specified Preferred Holders shall notify the Corporation in writing at least three (3) days prior to such mailing of the persons designated by them respectively pursuant to Section 4.1 above as nominees for election to the Board. In the absence of any notice from the Series A-1 Stockholders, MPM and the Specified Preferred Holders, the director(s) then serving and previously designated by the Series A-1 Stockholders, MPM and the Specified Preferred Holders, as applicable, shall be renominated.

4.5 Removal. Except as otherwise provided in this Section 5, no Stockholder shall vote to remove any member of the Board designated in accordance with the foregoing provisions of this Section 4 unless the party or group of stockholders, as applicable, who designated such director (the "Designating Party") shall so vote or otherwise consent, and, if the Designating Party shall so vote or otherwise consent, then the non-designating Stockholders shall likewise so vote. Any vacancy on the Board created by the resignation, removal, incapacity or death of any person designated under the foregoing provisions of this Section 4 may be filled by another person designated by the original Designating Party. Each Stockholder shall vote all shares of voting stock of the Corporation owned or controlled by such Stockholder in accordance with each such new designation.

4.6 Quorum. A quorum for any meeting of the Board of Directors shall consist of a majority of all directors; provided, that at least a majority of the Investor Directors is in attendance at such meeting. If, at any meeting, a quorum is not present for any reason, then another Board of Directors meeting may be convened within no less than two (2) and no more than ten (10) business days and, at such meeting, a majority of all directors shall constitute a quorum for all purposes.

4.7 Committees. Each of the Investor Directors shall have the right to sit on any committee of the Board of Directors.

4.8 Duration of Section. This Section 4 and the rights and obligations of the parties hereunder shall automatically terminate on the earlier of (i) the consummation of an Event of Sale (as defined in the Certificate) or (ii) the automatic conversion of all of the Preferred Stock of the Corporation pursuant to the Certificate as a result of the listing, or the admitting for trading, of the Common Stock on a national securities exchange. Prior to such termination, the rights and obligations of any Preferred Stockholder under this Section 4 shall

terminate upon the date on which such Preferred Stockholder or its Group no longer owns any Preferred Stock, whereupon the obligations of the remaining Stockholders to vote in favor of the designee of such Preferred Stockholder shall also terminate.

SECTION 5. Indemnification.

5.1 Indemnification of Investors. In the event that any Series A-1 Preferred Stockholder, Series A-2 Preferred Stockholder, Series A-3 Preferred Stockholder, Series A-5 Preferred Stockholder, Series A-6 Preferred Stockholder or any director, officer, employee, affiliate or agent thereof (the "Indemnitees"), become involved in any capacity in any action, proceeding, investigation or inquiry in connection with or arising out of any matter related to the Corporation or any Indemnitee' s role or position with the Corporation, the Corporation shall reimburse each Indemnitee for its legal and other expenses (including the cost of any investigation and preparation) as they are incurred by such Indemnitee in connection therewith. The Corporation also agrees to indemnify each Indemnitee, pay on demand and protect, defend, save and hold harmless from and against any and all liabilities, damages, losses, settlements, claims, actions, suits, penalties, fines, costs or expenses (including, without limitation, attorneys' fees) (any of the foregoing, a "Claim") incurred by or asserted against any Indemnitee of whatever kind or nature, arising from, in connection with or occurring as a result of this Agreement or the matters contemplated by this Agreement; provided, however, that the Corporation shall not be required to indemnify any Indemnitee hereunder in connection with any matter as to which a court of competent jurisdiction has made a final non-appealable determination that such Indemnitee has acted with gross negligence or willful or intentional misconduct in connection therewith. The foregoing agreement shall be in addition to any rights that any Indemnitee may have at common law or otherwise.

5.2 Advancement of Expenses. The Corporation shall advance all expenses reasonably incurred by or on behalf of the Indemnitees in connection with any Claim or potential Claim

within twenty (20) days after the receipt by the Corporation of a statement or statements from the Indemnitee requesting such advance payment or payments from time to time.

SECTION 6. Remedies. In case any one or more of the covenants and/or agreements set forth in this Agreement shall have been breached by any party hereto, the party or parties entitled to the benefit of such covenants or agreements may proceed to protect and enforce its or their rights, either by suit in equity and/or action at law, including, but not limited to, an action for damages as a result of any such breach and/or an action for specific performance of any such covenant or agreement contained in this Agreement. The rights, powers and remedies of the parties under this Agreement are cumulative and not exclusive of any other right, power or remedy which such parties may have under any other agreement or law. No single or partial assertion or exercise of any right, power or remedy of a party hereunder shall preclude any other or further assertion or exercise thereof.

SECTION 7. Successors and Assigns.

7.1 Series A-1, A-2 and A-3 Stockholders. Except as otherwise expressly provided herein, this Agreement shall bind and inure to the benefit of the Corporation and each of the Series A-1 Stockholder, Series A-2 Stockholder and Series A-3 Stockholder parties hereto and the respective successors and permitted assigns of the Corporation and each of the Series A-1 Stockholder, Series A-2 Stockholder and Series A-3 Stockholder parties hereto (including any member of a Stockholder' s Group). Subject to the requirements of Section 3 hereof, this Agreement and the rights and duties of the Series A-1 Stockholder, Series A-2 Stockholder and Series A-3 Stockholder set forth herein may be freely assigned, in whole or in part, by each Series A-1 Stockholder, Series A-2 Stockholder and Series A-3 Stockholder to any member of their respective Group, provided such transferee is an "affiliate" of such Series A-1 Stockholder, Series A-2 Stockholder or Series A-3 Stockholder, as the case may be, as such term is defined under Rule 501 of the Securities Act (it being recognized and agreed that each member of the Oxford/Saints Group shall be deemed to be "affiliates" of each other for this purpose). Any transferee from a Series A-1 Stockholder, Series A-2 Stockholder or Series A-3 Stockholder, as the case may be, to whom rights under Section 3 are transferred shall, as a condition to such transfer, deliver to the Corporation a written instrument by which such transferee identifies itself, gives the Corporation notice of the transfer of such rights, identities the securities of the Corporation owned or acquired by it and agrees to be bound by the obligations imposed hereunder to the same extent as if such transferee were a Series A-1 Stockholder, Series A-2

Stockholder or Series A-3 Stockholder, as applicable, hereunder. A transferee to whom rights are transferred pursuant to this Section 7.1 will be thereafter deemed to be a Series A-1 Stockholder, Series A-2 Stockholder or Series A-3 Stockholder, as applicable, for the purpose of the execution of such transferred rights and may not again transfer such rights to any other person or entity, other than as provided in this Section 7.1. Upon the consummation of the Merger: (i) all of the rights and obligations of this Agreement pertaining to the Series A-1 Stockholders and the shares of Series A-1 Preferred Stock of the Corporation held by them shall be deemed to apply in the same manner to the holders of Series A-1 Preferred Stock, par value $0.0001 per share of MPM Acquisition Corp., a Delaware corporation ("MPMAC"), and the shares of such MPMAC Series A-1 Preferred Stock held by them, respectively, as if such shares of MPMAC stock were shares of Series A-1 Preferred Stock for all purposes of this Agreement; (ii) all of the rights and obligations of this Agreement pertaining to the Series A-2 Stockholders and the shares of Series A-2 Preferred Stock of the Corporation held by them shall be deemed to apply in the same manner to the holders of Series A-2 Preferred Stock, par value $0.0001 per share of MPMAC, and the shares of such MPMAC Series A-2 Preferred Stock held by them, respectively, as if such shares of MPMAC stock were shares of Series A-2 Preferred Stock for all purposes of this Agreement; and (iii) all of the rights and obligations of this Agreement pertaining to the Series A-3 Stockholders and the shares of Series A-3 Preferred Stock of the Corporation held by them shall be deemed to apply in the same manner to the holders of Series A-3 Preferred Stock, par value $0.0001 per share of MPMAC, and the shares of such MPMAC Series A-3

Preferred Stock held by them, respectively, as if such shares of MPMAC stock were shares of Series A-3 Preferred Stock for all purposes of this Agreement.

7.2 Other Stockholders. Except as otherwise expressly provided herein, this Agreement shall bind and inure to the benefit of the Corporation and each of the Common Stockholders and the Series A-4 Stockholders, Series A-5 Stockholders and Series A-6 Stockholders (collectively, the "Other Stockholders") and the respective successors and permitted assigns of the Corporation and each of the Other Stockholders. Subject to the requirements of Section 3 hereof, this Agreement and the rights and duties of the Other Stockholders set forth herein may be assigned, in whole or in part, by any Other Stockholder to a Related Transferee or to any member of their respective Group, provided such transferee is an "affiliate" of such Other Stockholder, as such term is defined under Rule 501 of the Securities Act (it being recognized and agreed that each Member of the Oxford/Saints Group shall be deemed to be "affiliates" of each other for this purpose). Any transferee from an Other Stockholder to whom rights under Section 3 are transferred shall, as a condition to such transfer, deliver to the Corporation a written instrument by which such transferee identifies itself, gives the Corporation notice of the transfer of such rights, identifies the securities of the Corporation owned or acquired by it and agrees to be bound by the obligations imposed hereunder to the same extent as if such transferee were an Other Stockholder hereunder. A transferee to whom rights are transferred pursuant to this Section 7.2 will be thereafter deemed to be an Other Stockholder for the purpose of the execution of such transferred rights and may not again transfer such rights to any other person or entity, other than as provided in this Section 7.2. Upon the consummation of the Merger: (i) all of the rights and obligations of this Agreement pertaining to the holders of Common Stock and the shares of Common Stock of the Corporation held by them shall be deemed to apply in the same manner to the holders of Common Stock, par value $0.0001 per share of MPMAC, and the shares of such MPMAC Common Stock held by them, respectively, as if such shares of MPMAC stock were shares of Common Stock for all purposes of this Agreement; (ii) all of the rights and obligations of this Agreement pertaining to the Series A-4 Stockholders and the shares of Series A-4 Preferred Stock of the Corporation held by them shall be deemed to apply in the same manner to the holders of Series A-4 Preferred Stock, par value $0.0001 per share of MPMAC, and the shares of such MPMAC Series A-4 Preferred Stock held by them, respectively, as if such shares of MPMAC stock were shares of Series A-4 Preferred Stock for all purposes of this Agreement; (iii) all of the rights and obligations of this Agreement pertaining to the Series A-5 Stockholders and the shares of Series A-5 Preferred Stock of the Corporation held by them shall be deemed to apply in the same manner to the holders of Series A-5 Preferred Stock, par value $0.0001 per share of MPMAC, and the shares of such MPMAC Series A-5 Preferred Stock held by them, respectively, as if such shares of MPMAC stock were shares of Series A-5 Preferred Stock for all purposes of this Agreement; and (iv) all of the rights and obligations of this Agreement pertaining to the Series A-2 Stockholders and the shares of Series A-6 Preferred Stock of the Corporation held by them shall be deemed to apply in the same manner to the holders of Series A-6 Preferred Stock, par value $0.0001 per share of MPMAC, and the shares of such MPMAC Series A-6 Preferred Stock held by them, respectively, as if such shares of MPMAC stock were shares of Series A-6 Preferred Stock for all purposes of this Agreement.

7.3 The Corporation. Neither this Agreement nor any of the rights or duties of the Corporation set forth herein shall be assigned by the Corporation, in whole or in part, without having first received the written consent of the Majority Investors. Notwithstanding the foregoing, upon the consummation of the Merger with respect to all times after the consummation of the Merger, (i) the Corporation shall, and hereby does, assign all of its rights, duties and obligations under this Agreement to MPMAC and (ii) all references to the "Corporation" in this Agreement and to its capital stock or any other aspects of the Corporation shall be deemed to be references to MPMAC and its capital stock and other applicable aspects of MPMAC. MPMAC, by executing this Agreement as an anticipated successor and assign to the Corporation, does hereby assume, effective upon the consummation of the

Merger, all of the Corporation' s rights, duties and obligations under this Agreement. All parties to this Agreement hereby consent to the assignment and assumption contemplated between the Corporation and MPMAC set forth in this paragraph.

SECTION 8. Duration of Agreement. The rights and obligations of the Corporation and each Stockholder set forth herein shall survive indefinitely, unless and until, by the respective terms of this Agreement, they are no longer applicable.

SECTION 9. Entire Agreement. This Agreement, together with the other writings referred to herein or delivered pursuant hereto which form a part hereof, contains the entire agreement among the parties with respect to the subject matter hereof and amends, restates and supersedes all prior and contemporaneous arrangements or understandings with respect thereto.

SECTION 10. Notices. All notices, requests, consents and other communications hereunder to any party shall be deemed to be sufficient if contained in a written instrument delivered in person or duly sent by first class registered, certified or overnight mail, postage prepaid, or telecopied with a confirmation copy by regular mail, addressed or telecopied, as the case may be, to such party at the address or telecopier number, as the case may be, set forth below or such other address or telecopier number, as the case may be, as may hereafter be designated in writing by the addressee to the addressor listing all parties:

(i) if to the Corporation, to:

Radius Health, Inc.
201 Broadway
Sixth Floor
Cambridge, MA 02139
Attention: Chief Executive Officer

Telecopier: (617) 551-4701

with a copy to:

Bingham McCutchen LLP
One Federal Street
Boston, MA 02110-1726
Attention: Julio E. Vega, Esq.
Telecopier: (617) 951-8736

(ii) if to the Investors, as set forth on Schedule 2; to the Common Stockholders, as set forth on Schedule 1; to the holders of Series A-2 Preferred Stock, as set forth on Schedule 3; to the holders of Series A-3 Preferred Stock, as set forth on Schedule 4; to the holders of Series A-4 Preferred Stock, as set forth on Schedule 5; to the holder of Series A-5 Preferred Stock and/or Series A-6 Preferred Stock, as set forth on Schedule 6,

All such notices, requests, consents and communications shall be deemed to have been received (a) in the case of personal delivery, on the date of such delivery, (b) in the case of mailing, on the third business day following the date of such mailing, (c) in the case of overnight mail, on the first business day following the date of such mailing, and (d) in the case of facsimile transmission, when confirmed by facsimile machine report.

SECTION 11. Changes. The terms and provisions of this Agreement may not be modified or amended, or any of the provisions hereof waived, temporarily or permanently, except pursuant to the written consent of the Corporation and the Majority Investors, and to the extent that there is a material adverse effect of any such modification or amendment on the rights and obligations of the holders of shares of Series A-4 Preferred Stock, Series A-5 Preferred Stock or Series A-6 Preferred Stock in a manner more adverse than such effect on the holders of Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock, respectively, a majority in combined voting power of the such more affected series then outstanding, determined in accordance with Section A.6(a) of Article III of the Certificate. Additional parties who become Common Stockholders or Series A-4 Stockholders, Series A-5 Stockholders or Series A-6 Stockholders pursuant to an instrument of adherence will not constitute a change under this Section 11. Notwithstanding the foregoing, (a) any modification or amendment to this Agreement that would adversely affect one Series A-1 Stockholder, Series A-2 Stockholder or Series A-3 Stockholder in a manner that is directed specifically to such Series A-1 Stockholder, Series A-2 Stockholder or Series A-3 Stockholder, rather than to all Series A-1 Stockholders, Series A-2 Stockholders and Series A-3 Stockholders, shall be subject to the approval of each such Series A-1 Stockholder, Series A-2 Stockholder or Series A-3 Stockholder, as applicable, (b) any modification or amendment to Section 2.11 hereof shall be subject to the further approval of Wellcome, at least one member of HCV Group, one member of the MPM Group, one member of the Brookside Group, one member of the BB Bio Group, and the Oxford/Saints Group, (c) any modification to Section 4.1(b)(i) shall be subject to the further approval of Stockholders holding at least a majority of the outstanding shares of Series A-1 Preferred Stock, (d) any modification to Section 4.1(b)(ii) shall be subject to the further approval of at least two of the Specified Preferred Holders, (e) any modification to Section 4.1(b)(iii) shall be subject to the further approval of at least one member of the MPM Group, (f) any modification to Section 4.2(a) shall be subject to the further approval of at least one member of the HCV Group, (g) any modification to Section 4.2(b) shall be subject to the further approval of Saints, (h) any modification to Section 4.2(c) shall be subject to the further approval of at least one member of the Brookside Group and (i) any modification to Section 4.2(d) shall be subject to the further approval of Wellcome. It is understood that this separate consent would not be required if any such adverse effect results from the application of criteria uniformly to all Stockholders even if such application may affect Stockholders differently.

SECTION 12. Counterparts. This Agreement may he executed in any number of counterparts, each such counterpart shall be deemed to he an original instrument and all such counterparts together shall constitute but one agreement.

SECTION 13. Headings. The headings of the various sections of this Agreement have been inserted for convenience of reference only, and shall not be deemed to be a part of this Agreement.

SECTION 14. Nouns and Pronouns. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of names and pronouns shall include the plural and vice-versa.

SECTION 15. Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 16. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts, excluding choice of law rules thereof.

SECTION 17. Additional Parties. Notwithstanding anything to the contrary contained herein, any Stockholder may become a party to this Agreement following the delivery to, and written acceptance by, the Corporation of an execute and Instrument of Adherence to this Agreement in the Form attached hereto as Annex C. No action or consent by Stockholder parties hereto shall be required for such joinder to this Agreement by such additional Stockholder, so long as such additional Stockholder has agreed in writing to be bound by all of the obligations as Stockholder party hereunder as indicated in the Instrument of Adherence and the Instrument of Adherence has been accepted in writing by the Corporation.

[remainder of page intentionally left blank]

(Signature Page to Stockholders' Agreement)

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the date first above written.

THE CORPORATION:

RADIUS HEALTH, INC.

By: _____
Name: C. Richard Edmund Lyttle
Title: President

As an anticipated successor and assign to the Corporation under Section 7.3 hereof:

MPM ACQUISITION CORP.

By: _____
Name: C. Richard Edmund Lyttle
Title: President

INVESTORS:

BB BIOTECH VENTURES II, L.P.
By:
Its:

By: _____
Name: Ben Morgan
Title: Director

BB BIOTECH GROWTH N.V.
By:
Its:

By: _____

Name: H. J. Van Neutegem
Title: Managing Director

HEALTHCARE VENTURES VII, LP,
By: HealthCare Partners VII, L.P.
Its General Partner

By: _____

Name: Jeffrey Steinberg
Title: Administrative Partner of HealthCare Partners VII, L.P.
The General Partner of HealthCare Ventures VII, L.P.

MPM BIOVENTURES III, L.P.

By: MPM BioVentures III GP, L.P.,
its General Partner
By: MPM BioVentures III LLC,
its General Partner

By: _____

Name: Ansbert Gadicke
Title: Series A Member

MPM BIOVENTURES III-QP, L.P.

By: MPM BioVentures III GP, L.P.,
its General Partner
By: MPM BioVentures III LLC,
its General Partner

By: _____

Name: Ansbert Gadicke
Title: Series A Member

MPM BIOVENTURES III GMBH & CO. BETEILIGUNGS KG

By: MPM BioVentures III GP, L.P.,
in its capacity as the Managing Limited Partner
By: MPM BioVentures III LLC,
its General Partner

By: _____

Name: Ansbert Gadicke
Title: Series A Member

MPM BIOVENTURES III PARALLEL FUND, L.P.

By: MPM BioVentures III GP, L.P.,
its General Partner
By: MPM BioVentures III LLC,
its General Partner

By: _____
Name: Ansbert Gadicke
Title: Series A Member

MPM ASSET MANAGEMENT INVESTORS 2003 BVIII LLC

By: _____
Name: Ansbert Gadicke
Title: Manager

MPM BIO IV NVS STRATEGIC FUND, L.P.

By: MPM BioVentures IV GP LLC,
its General Partner
By: MPM BioVentures IV LLC,
its Managing Member

By: _____
Name: Ansbert Gadicke
Title:

HEALTHCARE PRIVATE EQUITY LIMITED PARTNERSHIP
By: Waverley Healthcare Private Equity
Limited, its general partner

By: _____
Name: Andrew November
Title: Director

THE WELLCOME TRUST LIMITED, AS TRUSTEE OF THE WELLCOME TRUST

By: _____

Name: Peter Percisa Gray
Title: Managing Director

_____

Dr. Raymond F. Schinazi

OXFORD BIOSCIENCE PARTNERS IV L.P.
By: OBP Management IV L.P.

By: _____

Name: Jonathan Fleming
Title: General Partner

MRNA Fund II L.P.
By: OBP Management IV L.P.

By: _____

Name: Jonathan Fleming
Title: General Partner

SAINTS CAPITAL VI, L.P.,
a limited partnership

By: Saints Capital VI LLC,
a limited liability company

By: _____

Name: David P. Quinlivan
Title: Managing Member

EXPLANATORY NOTE

The following Plan of Distribution was not attached as Annex A to this Stockholders Agreement at the time this Stockholders Agreement was executed and it is not part of the executed agreement. The Plan of Distribution was subsequently distributed to the stockholders of the Company separate from the Stockholders Agreement and is being include here for informational purposes only.

PLAN OF DISTRIBUTION

We are registering the shares offered by this prospectus on behalf of the selling stockholders. The selling stockholders, which as used herein includes donees, pledgees, transferees or other successors-in-interest selling shares of common stock or interests in shares of common stock received after the date of this prospectus from a selling stockholder as a gift, pledge, partnership distribution or other transfer, may, from time to time, sell, transfer or otherwise dispose of any or all of their shares of common stock or interests in shares of common stock on any stock exchange, market or trading facility on which the shares are traded or in private transactions. These dispositions may be at fixed prices, at prevailing market prices at the time of sale, at prices related to the prevailing market price, at varying prices determined at the time of sale, or at negotiated prices.

The selling stockholders may use any one or more of the following methods when disposing of shares or interests therein:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent, but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- short sales;
- through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;
- broker-dealers may agree with the selling stockholders to sell a specified number of such shares at a stipulated price per share;
- a combination of any such methods of sale; and
- any other method permitted pursuant to applicable law.

The selling stockholders may, from time to time, pledge or grant a security interest in some or all of the shares of common stock owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the shares of common stock, from time to time, under this prospectus, or under an amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act amending the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus. The selling stockholders also may transfer the shares of common stock in other circumstances, in which case the transferees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

In connection with the sale of our common stock or interests therein, the selling stockholders may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the common stock in the course of hedging the positions they assume. The selling stockholders may also sell shares of our common stock short and deliver these securities to close out their

short positions, or loan or pledge the common stock to broker-dealers that in turn may sell these securities. The selling stockholders may also enter into option or other transactions with broker-dealers or other financial institutions or the creation of one or more derivative securities which require the delivery to such broker-dealer or other financial institution of shares offered by this prospectus, which shares such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction).

The aggregate proceeds to the selling stockholders from the sale of the common stock offered by them will be the purchase price of the common stock less discounts or commissions, if any. Each of the selling stockholders reserves the right to accept and, together with their agents from time to time, to reject, in whole or in part, any proposed purchase of common stock to be made directly or through agents. We will not receive any of the proceeds from this offering. Upon any exercise of the warrants by payment of cash, however, we will receive the exercise price of the warrants.

The selling stockholders also may resell all or a portion of the shares in open market transactions in reliance upon Rule 144 under the Securities Act of 1933, provided that they meet the criteria and conform to the requirements of that rule.

The selling stockholders and any broker-dealers that act in connection with the sale of the shares offered hereby might be deemed to be “underwriters” within the meaning of Section 2(11) of the Securities Act, and any commissions received by such broker-dealers and any profit on the resale of the securities sold by them while acting as principals might be deemed to be underwriting discounts or commissions under the Securities Act.

To the extent required, the shares of our common stock to be sold, the names of the selling stockholders, the respective purchase prices and public offering prices, the names of any agents, dealer or underwriter, any applicable commissions or discounts with respect to a particular offer will be set forth in an accompanying prospectus supplement or, if appropriate, a post-effective amendment to the registration statement that includes this prospectus.

In order to comply with the securities laws of some states, if applicable, the common stock may be sold in these jurisdictions only through registered or licensed brokers or dealers. In addition, in some states the common stock may not be sold unless it has been registered or qualified for sale or an exemption from registration or qualification requirements is available and is complied with.

The anti-manipulation rules of Regulation M under the Exchange Act may apply to sales of shares in the market and to the activities of the selling stockholders and their affiliates. In addition, we will make copies of this prospectus (as it may be supplemented or amended from time to time) available to the selling stockholders for the purpose of satisfying the prospectus delivery requirements of the Securities Act. The selling stockholders may indemnify any broker-dealer that participates in transactions involving the sale of the shares against certain liabilities, including liabilities arising under the Securities Act.

We have agreed to indemnify the selling stockholders against liabilities, including liabilities under the Securities Act and state securities laws, relating to the registration of the shares offered by this prospectus.

We have agreed with the selling stockholders to keep the registration statement of which this prospectus constitutes a part effective until the earlier of (1) such time as all of the shares covered by this prospectus have been disposed of pursuant to and in accordance with the registration statement or (2) the date on which the shares may be sold pursuant to Rule 144 of the Securities Act.

EXPLANATORY NOTE

The following Questionnaire for Selling Stockholders was not attached as Annex B to this Stockholders Agreement at the time this Stockholders Agreement was executed and it is not part of the executed agreement. The Questionnaire for Selling Stockholders was subsequently distributed to the stockholders of the Company separate from the Stockholders Agreement and is being include here for informational purposes only.

Annex B

Radius Health, Inc.

Questionnaire for Selling Stockholders

All questions should be answered as of the date you sign this Questionnaire, unless otherwise specified. Please return the completed Questionnaire by fax or other electronic transmission (with the originally signed copy to follow by mail) to:

Kathryn Ostman, Esq.
Bingham McCutchen LLP
One Federal Street
Boston, MA 02110
617-951-8637

With a copy to:

Nicholas Harvey
Chief Financial Officer
Radius Health, Inc.
201 Broadway, Sixth Floor
Cambridge, MA 02139

Please state the Selling Stockholder' s name and mailing address:

Please answer the following questions:

(a) Within the past three years, have you held any position or office or (other than as a securityholder) had any relationship with the Company or affiliates(1)?

Yes ☐ No ☐

If yes, please describe.

(1) Please refer to the definition of affiliate in Appendix A hereto.

(b) Set forth below the number of shares of Common Stock of the Company owned beneficially(2) by you after the Merger (the "Shares"). For each holding, please state under the column entitled "Statements Concerning Beneficial Ownership" (a) the name in which the securities are held, (b) if issuable upon conversion of preferred stock held, indicate the type and number of preferred shares held, (c) if issuable upon exercise of common or preferred share purchase warrants, indicate the type of warrant and exercise price, (d) the number of securities with respect to which you have sole voting power,(3) (e) the number of securities with respect to which you have shared voting power,(4) (f) the amount and/or number of securities with respect to which you have sole investment power,(5) (g) the amount and/or number of securities with respect to which you have shared investment power,(6) and (h) the amount and/or number of securities with respect to which you have the right to acquire beneficial(7) ownership by **AUGUST 22, 2011.**

Shares Beneficially Owned	Number of Shares	Statements Concerning Beneficial Ownership

(c) Number of Shares to be Offered Pursuant to the Registration Statement:

ALL If less than ALL, number of Shares to be Offered:

(d) Attached as Appendix B hereto is a draft of the "Plan of Distribution" section of the Registration Statement. Do you propose to offer or sell any securities of the Company by means other than those described in Appendix B?

Yes ☐ No ☐

If yes, please describe.

(2) Please refer to the definition of affiliate in Appendix A hereto.
(3) Please refer to the discussion on voting power in the definition of beneficial ownership in Appendix A.
(4) Please refer to the discussion on voting power in the definition of beneficial ownership in Appendix A.
(5) Please refer to the discussion on investment power in the definition of beneficial ownership in Appendix A.
(6) Please refer to the discussion on investment power in the definition of beneficial ownership in Appendix A.
(7) Please refer to the definition of affiliate in Appendix A hereto.

(e) Do you currently have specific plans to offer any securities of the Company through the selling efforts of brokers or dealers?

Yes ☐ No ☐

If yes, briefly describe the terms of any agreement, arrangement or understanding, entered into or proposed to be entered into with any broker or dealer, including any discounts or commissions to be paid to dealers.

(f) Are any of the securities of the Company to be offered otherwise than for cash?

Yes ☐ No ☐

If yes, please describe.

(g) Are any finders to be involved in the offering or sale of any of the securities of the Company?

Yes ☐ No ☐

If yes, please describe.

The undersigned hereby represents that all the information supplied herein is true, correct and complete as of the date hereof. The undersigned understands that the foregoing information will be use in connection with a proposed filing of a Registration Statement, and that the answers to the questions submitted will be relied on by the Company and its officers and directors in preparing the Registration Statement. ***The undersigned agrees to notify Radius Health, Inc. immediately of any material change in the forgoing answers.*** In connection with his, her or its purchase of securities, the

Dated:

_____
(Name of Holder)

By: _____
Name:
Title:

APPENDIX A

DEFINITIONS

(1) **Affiliate** of a specified person (as defined below), means a person who directly or indirectly through one or more intermediaries, controls (as defined below), or is controlled by, or is under common control with, the person specified.

(2) **Beneficial**, or **beneficially**, as applied to the ownership of securities, has been defined by the Securities and Exchange Commission to mean the following:

A beneficial owner of a security includes any person (as defined below) who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares "voting power" and/or "investment power". Voting power includes the power to vote, or to direct the voting of, such security; investment power includes the power to dispose, or to direct the disposition, of such security.

Note that more than one person may have a beneficial interest in the same securities; one may have voting power and the other may have investment power.

Even if a person, directly or indirectly, creates or uses a trust, proxy, power of attorney, pooling arrangement or any other contract, arrangement or device with the purpose or effect of divesting such person of beneficial ownership of a security or preventing the vesting of such beneficial ownership to avoid the reporting requirements of section 13(d) of the Securities Exchange Act, he will still be deemed to be the beneficial owner of such security.

A person is deemed to be the beneficial owner of a security if that person has the right to acquire beneficial ownership of such security at any time within 60 days, including but not limited to any right to acquire: (i) through the exercise of any option, warrant or right; (ii) through the conversion of a security; (iii) pursuant to the power to revoke a trust, discretionary account, or similar arrangement; or (iv) pursuant to the automatic termination of a trust, discretionary account or similar arrangement.

A member of a national securities exchange is not deemed to be a beneficial owner of securities held directly or indirectly by it on behalf of another person solely because such member is the record holder of such securities and, pursuant to the rules of such exchange, may direct the vote of such securities, without instruction, on other than contested matters or matters that may affect substantially the rights or privileges of the holders of the securities to be voted, but is otherwise precluded by the rules of such exchange from voting without instruction.

A person who in the ordinary course of business is a pledgee of securities pursuant to a bona fide pledge agreement will not be deemed to be the beneficial owner of such pledged securities merely because there has been a default under such an agreement, except during such time as the event of default shall remain uncured for more than 30 days or at any time before a default is cured if the power acquired by the pledgee pursuant to the default enables him to change or influence control of the issuer.

A person may also be regarded as the beneficial owner of securities held in the name of his spouse, his minor children or other relatives of his or her spouse sharing his home, or held in a trust of which he is a beneficiary or trustee, if the relationships are such that he has voting power and/or investment power with respect to such securities.

If you have any reason to believe that any interest you have, however remote, might be described as a beneficial interest, describe such interest.

(3) **Control** means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise.

(4) **Person** includes two or more persons acting as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding, or disposing of securities of an issuer.

APPENDIX B

PLAN OF DISTRIBUTION

We are registering the shares offered by this prospectus on behalf of the selling stockholders. The selling stockholders, which as used herein includes donees, pledgees, transferees or other successors-in-interest selling shares of common stock or interests in shares of common stock received after the date of this prospectus from a selling stockholder as a gift, pledge, partnership distribution or other transfer, may, from time to time, sell, transfer or otherwise dispose of any or all of their shares of common stock or interests in shares of common stock on any stock exchange, market or trading facility on which the shares are traded or in private transactions. These dispositions may be at fixed prices, at prevailing market prices at the time of sale, at prices related to the prevailing market price, at varying prices determined at the time of sale, or at negotiated prices.

The selling stockholders may use any one or more of the following methods when disposing of shares or interests therein:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent, but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- short sales;
- through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;
- broker-dealers may agree with the selling stockholders to sell a specified number of such shares at a stipulated price per share;
- a combination of any such methods of sale; and
- any other method permitted pursuant to applicable law.

The selling stockholders may, from time to time, pledge or grant a security interest in some or all of the shares of common stock owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the shares of common stock, from time to time, under this prospectus, or under an amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act amending the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus. The selling stockholders also may transfer the shares of common stock in other

circumstances, in which case the transferees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

In connection with the sale of our common stock or interests therein, the selling stockholders may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the common stock in the course of hedging the positions they assume. The selling stockholders may also sell shares of our common stock short and deliver these securities to close out their short positions, or loan or pledge the common stock to broker-dealers that in turn may sell these securities. The selling stockholders may also enter into option or other transactions with broker-dealers or other financial institutions or the creation of one or more

---

derivative securities which require the delivery to such broker-dealer or other financial institution of shares offered by this prospectus, which shares such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction).

The aggregate proceeds to the selling stockholders from the sale of the common stock offered by them will be the purchase price of the common stock less discounts or commissions, if any. Each of the selling stockholders reserves the right to accept and, together with their agents from time to time, to reject, in whole or in part, any proposed purchase of common stock to be made directly or through agents. We will not receive any of the proceeds from this offering. Upon any exercise of the warrants by payment of cash, however, we will receive the exercise price of the warrants.

The selling stockholders also may resell all or a portion of the shares in open market transactions in reliance upon Rule 144 under the Securities Act of 1933, provided that they meet the criteria and conform to the requirements of that rule.

The selling stockholders and any broker-dealers that act in connection with the sale of the shares offered hereby might be deemed to be “underwriters” within the meaning of Section 2(11) of the Securities Act, and any commissions received by such broker-dealers and any profit on the resale of the securities sold by them while acting as principals might be deemed to be underwriting discounts or commissions under the Securities Act.

To the extent required, the shares of our common stock to be sold, the names of the selling stockholders, the respective purchase prices and public offering prices, the names of any agents, dealer or underwriter, any applicable commissions or discounts with respect to a particular offer will be set forth in an accompanying prospectus supplement or, if appropriate, a post-effective amendment to the registration statement that includes this prospectus.

In order to comply with the securities laws of some states, if applicable, the common stock may be sold in these jurisdictions only through registered or licensed brokers or dealers. In addition, in some states the common stock may not be sold unless it has been registered or qualified for sale or an exemption from registration or qualification requirements is available and is complied with.

The anti-manipulation rules of Regulation M under the Exchange Act may apply to sales of shares in the market and to the activities of the selling stockholders and their affiliates. In addition, we will make copies of this prospectus (as it may be supplemented or amended from time to time) available to the selling stockholders for the purpose of satisfying the prospectus delivery requirements of the Securities Act. The selling stockholders may indemnify any broker-dealer that participates in transactions involving the sale of the shares against certain liabilities, including liabilities arising under the Securities Act.

We have agreed to indemnify the selling stockholders against liabilities, including liabilities under the Securities Act and state securities laws, relating to the registration of the shares offered by this prospectus.

We have agreed with the selling stockholders to keep the registration statement of which this prospectus constitutes a part effective until the earlier of (1) such time as all of the shares covered by this prospectus have been disposed of pursuant to and in accordance with the registration statement or (2) the date on which the shares may be sold pursuant to Rule 144 of the Securities Act.

Annex C

Instrument of Adherence
to
Amended and Restated
Stockholders' Agreement
dated , 2011

Reference is hereby made to that certain THIS AMENDED AND RESTATED STOCKHOLDERS' AGREEMENT (the "Agreement"), dated the day of , 2011, entered into by and among (i) Radius Health, Inc., a Delaware corporation (the "Corporation") and the Stockholder parties thereto. Capitalized terms used herein without definition shall have the respective meanings ascribed thereto in the Agreement.

The undersigned (the "New Stockholder Party"), in order to become the owner or holder of shares of and all other shares of the Corporation' s capital stock hereinafter acquired, of the Company (the "Acquired Shares"), hereby agrees that, from and after the date hereof, the undersigned has become a party to the Agreement in the capacity of a party to the Agreement, and is entitled to all of the benefits under, and is subject to all of the obligations, restrictions and limitations set forth in, the Agreement that are applicable to such Stockholder parties and shall be deemed to have made all of the representations and warranties made by such Stockholder parties thereunder. This Instrument of Adherence shall take effect and shall become a part of the Agreement on the latest date of execution by both the New Stockholder Party and the Corporation.

Executed under seal as of the date set forth below under the laws of the Commonwealth of Massachusetts.

Print Name: _____

Signature: _____
Name:
Title:

Accepted:
RADIUS HEALTH, INC.

By: _____
Name:
Title:

Date: _____

Exhibit F

Executed Agreement and Plan of Merger

Filed as Exhibit 10.1 to the Form 8-K/A filed on October 24, 2011

RADIUS HEALTH, INC.

Disclosure Schedule ("Schedule") to the Series A-1 Convertible Preferred Stock Purchase Agreement, dated April 25, 2011 (the "Purchase Agreement")

The following Schedule is delivered by Radius Health, Inc., a Delaware corporation (the "Corporation") in connection with the Stage I Closing under the Purchase Agreement. This Schedule sets forth exceptions to the representations and warranties of the Corporation to be given at the Stage I Closing (which exceptions shall be deemed to be representations and warranties as if made under the Purchase Agreement). The information in this Schedule is provided as of the Stage I Closing Date.

The disclosure of any item or information in this Schedule shall not be construed as an admission that such item or information is material to the Corporation, and any inclusion in the Schedule shall expressly not be deemed to constitute an admission, or otherwise imply, that any such item or information is material or creates measures of materiality for the purposes of the Purchase Agreement. Nothing in this Schedule constitutes an admission of any liability or obligation of the Corporation to any third party, nor an admission to any third party against the Corporation' s interests.

With respect to any matter that is clearly disclosed in any Section of this Schedule in such a way as to make its relevance to the information called for by another Section of this Schedule readily apparent, such matter shall be deemed to have been included in the Schedule in response to such other Section, notwithstanding the omission of any appropriate cross-reference thereto. The Section numbers referred to in this Schedule correspond to the Section numbers in the Purchase Agreement. Capitalized terms not otherwise defined in this Schedule shall have the meanings set forth in the Purchase Agreement.

Schedule 5.1

Organization

1. The Corporation is qualified to do business as a foreign corporation in the Commonwealth of Massachusetts.

Schedule 5.2

Capitalization

1. Capitalization of the Corporation Immediately Following the Stage I Closing:

RADIUS

	CAPITALIZATION AFTER 1ST SERIES A-1, A-5 and IPSEN CLOSING											%	Post	%
	Series A-1	Series A-2	Series A-3	Series A-4	Series A-5	Common	Series A-1 Warrants	Common Warrants	Common Options	Post Shares	Shares Out	Fully Diluted Shares	Fully Diluted
Preferred Holders													

MPM Bioventures III Funds	82,225	121,944	29,850			–			234,019	**1.46%**	234,019	**1.32%**
MPM Bioventures III-QP, L.P.	1,222,905	1,813,643	443,959			–			3,480,507	**21.69%**	3,480,507	**19.67%**
MPM Bioventures III GMBH & Co.	103,351	153,275	37,520			–			294,146	**1.83%**	294,146	**1.66%**
MPM Bioventures III Parallel Fund, L.P.	36,932	54,773	13,408			–			105,113	**0.66%**	105,113	**0.59%**
MPM Asset Management Investors 2003	23,681	35,114	8,595			–			67,390	**0.42%**	67,390	**0.38%**
MPM Bio IV NVS Strategic Fund	540,013	1,842,426	–			–			2,382,439	**14.85%**	2,382,439	**13.47%**
Wellcome Trust	255,223	2,103,250	–			–			2,358,473	**14.70%**	2,358,473	**13.33%**
HealthCare Ventures VII	196,512	982,789	636,632			83,113			1,899,046	**11.83%**	1,899,046	**10.73%**
Saints Capital (OBP IV Holdings)	162,133	1,086,285	249,830			15,173			1,513,421	**9.43%**	1,513,421	**8.56%**
Saints Capital (mRNA Fund II Holdings)	1,627	10,900	2,506			151			15,184	**0.09%**	15,184	**0.09%**
BB Biotech Ventures II	435,965	1,051,625	–			–			1,487,590	**9.27%**	1,487,590	**8.41%**
Scottish Widows	68,059	560,866	–			–			628,925	**3.92%**	628,925	**3.56%**
Raymond F. Schinazi	7,575	15,243	–	4,142		–			26,960	**0.17%**	26,960	**0.15%**
David E. Thompson Revocable Trust	1,964			16,190		–			18,154	**0.11%**	18,154	**0.10%**
Hostetler Family Trust	–			–		3,071			3,071	**0.02%**	3,071	**0.02%**
H.Watt Gregory, III	1,329			10,957		–			12,286	**0.08%**	12,286	**0.07%**
The Richman Trust	650			5,357		–			6,007	**0.04%**	6,007	**0.03%**
Breining Family Trust	407			3,357		–			3,764	**0.02%**	3,764	**0.02%**
Dr. Dennis A. Carson	–			–		533			533	**0.00%**	533	**0.00%**
B Van Wyck	–			–		363			363	**0.00%**	363	**0.00%**
Jonnie K. Westbrook	–			–		363			363	**0.00%**	363	**0.00%**
Nordic Bioscience					64,430				64,430	**0.40%**	64,430	**0.36%**
Brookside	409,400								409,400	**2.55%**	409,400	**2.31%**
BB Biotech AG	409,400								409,400	**2.55%**	409,400	**2.31%**
Ipsen	173,263								173,263	**1.08%**	173,263	**0.98%**
Leerink							8,188		–	**0.00%**	8,188	**0.05%**

RADIUS

	CAPITALIZATION AFTER 1ST SERIES A-1, A-5 and IPSEN CLOSING										%	Post	%
	Series A-1	Series A-2	Series A-3	Series A-4	Series A-5	Common	Series A-1 Warrants	Common Warrants	Common Options	Post Shares	Shares Out	Fully Diluted Shares	Fully Diluted
Common Holders													
Alan Auerbach									256,666	–	**0.00%**	256,666	**1.45%**
Stavros C. Manolagas						91,040			–	91,040	**0.57%**	91,040	**0.51%**
Michael Rosenblatt						46,664			41,168	46,664	**0.29%**	87,832	**0.50%**
John Thomas Potts Trust						20,291			–	20,291	**0.13%**	20,291	**0.11%**
John Thomas Potts, Jr.						4,496			47,245	4,496	**0.03%**	51,741	**0.29%**
John Katzenellenbogen Trust						40,438			–	40,438	**0.25%**	40,438	**0.23%**

John Katzenellenbogen						8,961			6,666	8,961	**0.06%**	15,627	**0.09%**
Bart Henderson						30,468			–	30,468	**0.19%**	30,468	**0.17%**
Board of Trustees of the Uni													
of Arkansas						17,333			–	17,333	**0.11%**	17,333	**0.10%**
Sillicon Valley Bank						–		266	–	–	**0.00%**	266	**0.00%**
Ben Lane						8,125			–	8,125	**0.05%**	8,125	**0.05%**
Ruff Trust						5,124			–	5,124	**0.03%**	5,124	**0.03%**
H2 Enterprises, LLC						5,124			–	5,124	**0.03%**	5,124	**0.03%**
Dr. Karl Y. Hostetler						5,124			–	5,124	**0.03%**	5,124	**0.03%**
Czerepak, Elizabeth						–			11,666	–	**0.00%**	11,666	**0.07%**
Stavroula Kousteni, Ph.D.						421			–	421	**0.00%**	421	**0.00%**
Robert L. Jilka, Ph.D.						572			–	572	**0.00%**	572	**0.00%**
Robert S. Weinstein, M.D.						421			–	421	**0.00%**	421	**0.00%**
Teresita M. Bellido, Ph.D.						234			–	234	**0.00%**	234	**0.00%**
Chris Glass						–			1,333	–	**0.00%**	1,333	**0.01%**
Dotty McIntyre, RA						891			–	891	**0.01%**	891	**0.01%**
Thomas E. Sparks, Jr.						883			–	883	**0.01%**	883	**0.00%**
Sam Ho						833			–	833	**0.01%**	833	**0.00%**
Charles O' Brien, Ph.D.						140			–	140	**0.00%**	140	**0.00%**
Alwyn Michael Parfitt, M.D.						280			–	280	**0.00%**	280	**0.00%**
Barry Pitzele						266			–	266	**0.00%**	266	**0.00%**
Benita S. Katzenellenbogen,													
Ph.D.						187			–	187	**0.00%**	187	**0.00%**
Kelly Colbourn						102			–	102	**0.00%**	102	**0.00%**
Julie Glowacki, Ph.D.						93			–	93	**0.00%**	93	**0.00%**
Socrates E. Papapoulos,													
M.D.						93			–	93	**0.00%**	93	**0.00%**
Tonya D. Smith						66			–	66	**0.00%**	66	**0.00%**
Kent Westbrook, M.D.						46			–	46	**0.00%**	46	**0.00%**
Edie Estabrook						–			4,266	–	**0.00%**	4,266	**0.02%**
Maysoun Shomali						2,383			–	2,383	**0.01%**	2,383	**0.01%**
Lumpkins, Mary						–			400	–	**0.00%**	400	**0.00%**
Guerriero, Jonathan						2,500			12,166	2,500	**0.02%**	14,666	**0.08%**
Grunwald, Maria						–			14,666	–	**0.00%**	14,666	**0.08%**
McCarthy, Daniel F.						–			3,200	–	**0.00%**	3,200	**0.02%**
Sullivan, Kelly						–			1,666	–	**0.00%**	1,666	**0.01%**
Welch, Kathy						–			6,400	–	**0.00%**	6,400	**0.04%**
Richard Lyttle						66,666			489,227	66,666	**0.42%**	555,893	**3.14%**
Louis O' Dea						29,207			165,355	29,207	**0.18%**	194,562	**1.10%**
Nick Harvey						30,000			143,716	30,000	**0.19%**	173,716	**0.98%**
Gary Hattersley						–			83,384	–	**0.00%**	83,384	**0.47%**
Chris Miller						33,355			30,498	33,355	**0.21%**	63,853	**0.36%**
ESOP Remaining						–			315,172	–	**0.00%**	315,172	**1.78%**
Additions to Option Plan									–	–	**0.00%**	–	**0.00%**
Total	4,132,614	9,832,133	1,422,300	40,003	64,430	555,594	8,188	266	1,634,860	16,047,074	**100.00%**	17,690,388	**100.00%**
									Per Share	$ 8.1420		$ 8.1420	
									Post-money				
									$	$ 130,655,277		$ 144,035,139	

2. In connection with that certain Loan and Security Agreement, dated as of August 6, 2004, by and between the Corporation and Silicon Valley Bank ("SVB"), as amended, the Corporation issued to SVB a warrant exercisable for the purchase of an aggregate of up to 20,000 shares of Series A Junior Convertible Preferred Stock at $1.00 per share (as amended, the "SVB Warrant"). The warrant, which expires in August 2014, will be amended and restated as of the Stage I Closing Date to purchase shares of the Corporation' s common stock. The warrant was 100% vested as of the grant date.

3. Series A Convertible Redeemable Preferred Stock Purchase Agreement, dated November 14, 2003, by and among the Corporation and the stockholders listed on the schedules thereto.

4. Series B Convertible Redeemable Preferred Stock Purchase Agreement, dated November 14, 2003, by and among the Corporation and the stockholders listed on the schedules thereto.

5. Series C Convertible Redeemable Preferred Stock Purchase Agreement, dated December 15, 2006, by and among the Corporation and the Investors referenced therein, as amended by Amendment No. 1 thereto, dated February 12, 2007, Amendment No. 2 thereto, dated February 22, 2007, Amendment No. 3 thereto, dated August 17, 2007, and Amendment No. 4 thereto, dated November 14, 2008.

6. Fourth Amended and Restated Certificate of Incorporation of the Corporation filed with the Secretary of State of the State of Delaware on May 17, 2011.

7. Growth Capital Loan Proposal Letter by and among the Corporation, GE Healthcare Financial Services, Inc., and Oxford Finance Corporation, dated December 21, 2010. The proposed loan documents would include an obligation of the Corporation to issue a warrant to purchase Series A-1 Convertible Preferred Stock for 4% of the principal as drawn, equaling $1,000,000 (4% of $25 million).

8. In connection with that certain Letter Agreement by and between the Corporation and Leerink Swann LLC ("Leerink"), dated September 24, 2010, the Corporation is obligated to issue a warrant to purchase Series A-1 Convertible Preferred Stock of the Corporation (the "Leerink Warrant").

9. Stock Issuance Agreement by and between the Corporation and Nordic Bioscience Clinical Development VII A/S ("Nordic"), dated March 29, 2011.

10. In connection with that certain License Agreement, dated September 27, 2005, by and between SCRAS S.A.S., a French corporation, with its principal office at 42, Rue du Docteur Blanche, 75016 Paris, France, on behalf of itself and its Affiliates (collectively, "Ipsen"), and the Corporation, as amended on September 12, 2007, and assigned by SCRAS S.A.S. to successor Ipsen Pharma SAS on January 1, 2009 (the "Ipsen License Agreement"), the Corporation is currently in discussions with Ipsen to make its payment milestones to Ipsen pursuant to the Ipsen License Agreement with shares of Series A-1 Preferred Stock at $8.142 per share.

11. 2007 Amended and Restated Management and Employee Bonus Plan approved at a meeting of the Board of Directors of the Corporation held on October 1, 2009 and approved by the Stockholders by written consent on November 11, 2009, which shall be terminated by written agreement of the participants effective upon the Closing.

Schedule 5.6(a)

Business of the Corporation

None.

Schedule 5.6

Business of the Corporation

A. Loan Agreements

1. Growth Capital Loan Proposal Letter by and among the Corporation, GE Healthcare Financial Services, Inc., and Oxford Finance Corporation, dated December 21, 2010.

2. Demand Promissory Note issued by MPM Acquisition Corp. to the Corporation, dated November 22, 2010.

B. License Agreements

1. Ipsen License Agreement.

2. Pharmaceutical Development Agreement by and between the Corporation and Ipsen, dated January 2, 2006, as amended by Amendment No. 1, dated January 1, 2007, Amendment No. 2, dated January 1, 2009, and Amendment No. 3, dated June 16, 2010.

3. License Agreement, dated June 29, 2006, by and between Eisai Co. and the Corporation.

C. Research, Development and/or Service Agreements

1. Development and Clinical Supplies Agreement by and between the Corporation, 3M Company and 3M Innovative Properties (3M Company and 3M Innovative Properties, collectively, "3M"), dated June 19, 2009, as amended on each of May 5, 2009, December 31, 2009, March 3, 2010, September 16, 2010, September 29, 2010, February 4, 2011, and March 2, 2011.

2. Letter of Payment Authorization for Study No. 670364 by and between the Corporation and Charles River Laboratories ("CRL"), dated November 20, 2010.

3. Letter of Payment Authorization for Dawley Rat - Rat Bone Quality Study by and between the Corporation and CRL, dated February 7, 2011.

4. Work Order No. 2 by and between the Corporation and LONZA Sales Ltd. ("Lonza"), dated January 15, 2010, as amended April 27, 2010, and as further amended December 15, 2010.

5. Letter Agreement by and between the Corporation and Leerink , dated February 4, 2010.

6. Letter Agreement by and between the Corporation and Leerink, dated September 24, 2010.

7. Stock Issuance Agreement by and between the Corporation and Nordic, dated March 29, 2011.

8. Amendment Letter by and between the Corporation and Nordic, dated February 1, 2011.

9. Clinical Trial Services Agreement and Work Statement NB-1 by and between the Corporation and Nordic, dated March 29, 2011.

10. Side Letter by and between the Corporation and Nordic, dated March 29, 2011.

11. Engagement Letter by and between the Corporation and Ernst & Young LLP, dated October 5, 2010.

12. Master Clinical Services Agreement by and between the Corporation and Celerion, Inc., dated November 2, 2010, as amended by Work Order No. 1, dated November 3, 2010.

13. Change Order No. 2 to Statement of Work by and between the Corporation and INC Research, Inc., dated September 3, 2010.

14. Letter of Payment Authorization for Chronic Dermal Toxicity Study by and between the Corporation and CRL, dated April 29, 2011.

D. Real Property

1. Sublease by and between the Corporation and Sonos, Inc., dated January 14, 2011, for the property located at 201 Broadway, Cambridge, Massachusetts.

E. ERISA

1. Radius Health, Inc. 401(k) Plan

2. Radius Health, Inc. Flexible Spending Account Plan

F. Indemnification Agreements

1. Please see Schedule 5.6(g).

2. Please see general commercial agreement indemnification provisions included in the material license agreements listed above.

G. Other Agreements

1. Pursuant to an engagement with Leerink Swann LLC ("Leerink") for services in connection with the Series A-1 Financing, the Corporation has agreed to issue to Leerink a Warrant to purchase 24,564 shares of Series A-1 Convertible Preferred Stock at the Stage I Closing.

2. Amended and Restated Stockholders' Agreement, dated as of December 15, 2006, by and between the Corporation, the Investors, the Original Stockholders, the Series A Stockholders and the Series B Stockholders (each as defined therein), as amended by Amendment No. 1 thereto, dated as of February 22, 2007, Amendment No. 2 thereto, dated as of August 17, 2007, and Amendment No. 3 thereto, dated as of October , 2008.

3. The Corporation has granted Alan Auerbach registration rights with respect to shares issuable upon exercise of granted options.

4. The Corporation has granted registration rights to SVB pursuant to the terms of the SVB Warrant.

5. The Corporation has granted board observation rights to BB Biotech Ventures II, L.P. pursuant to a Letter Agreement dated as of February 22, 2007, by and between the Corporation and BB Biotech Ventures II, L.P.

H. Stock Option Plans

1. 2003 Long Term Incentive Plan

2. 2007 Management and Employee Bonus Plan approved at a meeting of the Board of Directors of the Corporation held on December 6, 2007 and approved by the Stockholders by written consent on February 14, 2008, which shall be terminated by written agreement of the participants effective upon the Closing.

I. Stock Option Agreements

The Corporation has entered into Stock Option Agreements with the following individuals:

Option Number	Name	# Options	Grant Date	Options Canceled	Options Outstanding
04-051	Ho, Sam	10,000	5/4/2004		–
03-002	Lane, Ben	325,000	12/16/2003	203,125	–
03-003	Henderson, Bart	650,000	12/16/2003	192,969	–
03-001	Hattersley, Gary	162,500	12/16/2003		162,500
04-003	O' Brien, Charles	8,000	2/5/2004		8,000
04-005	Kousteni, Stavroula	30,000	2/5/2004		30,000
03-005	Manolagas, Stavros	1,108,812	11/14/2003		–
03-008	Rosenblatt, Michael	370,241	11/14/2003		–
03-007	Potts, John Thomas	304,374	11/14/2003		–
03-006	Katsenellenbogen, John	606,573	11/14/2003		–
03-004	Pitzele, Barnett	5,000	12/16/2003	1,000	–
04-001	Bellido, Teresita	17,000	2/4/2004		17,000
04-002	Jilka, Robert	28,000	2/4/2004		25,725
04-004	Weinstien, Robert	17,000	2/4/2004		17,000
04-072	Glass, Chris	10,000	8/12/2004		10,000
04-052	Estabrook, Edith	24,000	5/4/2004		24,000
04-071	Colbourn, Kelly	1,000	8/12/2004		–
04-103	Lyttle, Richard	1,625,000	10/28/2004		1,625,000
04-101	Guy, Keisha	8,000	10/28/2004	8,000	–
04-102	McIntyre, Dotty	8,000	10/28/2004	2,000	–
04-100	Shomali, Maysoun	15,000	12/28/2004	15,000	–
05-01	Glass, Chris	10,000	12/6/2005		10,000
06-02	Hattersley, Gary	81,250	2/15/2006		81,250
06-04	Guy, Keisha	8,000	2/15/2006	8,000	–
06-05	McIntyre, Dotty	8,000	2/15/2006	4,000	–
06-06	Shomali, Maysoun	15,000	2/15/2006	15,000	–
06-01	Ho, Sam	10,000	2/15/2006	7,500	–
06-03	Colbourn, Kelly	3,000	2/15/2006	2,469	–
06-07	O' Dea, Louis	570,000	2/15/2006		339,625

07-01	McIntyre, Dotty	27,000	7/12/2007	23,625	–
07-08	Lyttle, Richard	2,377,688	7/12/2007		2,377,688
07-07	O' Dea, Louis	830,941	7/12/2007		623,206
07-09	Harvey, B. Nicholas	1,250,840	7/12/2007		1,250,840
07-06	Hattersley, Gary	356,653	7/12/2007		356,653
07-10	Miller, Chris	500,336	7/12/2007		–
07-11	Katsenellenbogen, John	100,000	7/12/2007		100,000
07-12	Potts, John Thomas	540,790	7/12/2007		540,790
07-13	Rosenblatt, Michael	660,491	7/12/2007		412,805
07-02	Shomali, Maysoun	44,000	7/12/2007	8,250	–
07-03	Estabrook, Edith	16,000	7/12/2007		16,000
07-05	Lumpkins, Mary	3,000	7/12/2007		3,000

07-04	Guerriero, Jonathan	100,000	7/12/2007		62,500
07-14	Grunwald, Maria	137,500	12/6/2007		137,500
07-15	Herendeen, Hillary	8,000	12/6/2007	8,000	–
07-16	Downall, Julie	8,000	12/6/2007	8,000	–
08-01	Welch, Kathy	60,000	2/7/2008		60,000
08-09	Lyttle, Richard	3,040,081	5/8/2008		3,040,081
08-05	O' Dea, Louis	1,064,028	5/8/2008		1,064,028
08-06	Harvey, B. Nicholas	950,025	5/8/2008		950,025
08-08	Hattersley, Gary	456,012	5/8/2008		456,012
08-07	Miller, Chris	380,010	5/8/2008	23,751	356,259
08-02	McCarthy, Daniel F.	30,000	5/8/2008		30,000
08-03	Zielstorff, Mark	10,000	5/8/2008	10,000	–
08-04	Gallacher, Kyla	10,000	5/8/2008	10,000	–
08-14	Lyttle, Richard	1,295,640	12/3/2008		1,295,640
08-10	O' Dea, Louis	453,474	12/3/2008		453,474
08-11	Harvey, B. Nicholas	404,888	12/3/2008		404,888
08-13	Hattersley, Gary	194,346	12/3/2008		194,346
08-12	Miller, Chris	161,955	12/3/2008	60,734	101,221
08-26	Potts, John Thomas	167,891	12/3/2008		167,891
08-25	Rosenblatt, Michael	204,715	12/3/2008		204,715
08-16	Grunwald, Maria	82,500	12/3/2008		82,500
08-15	Guerriero, Jonathan	120,000	12/3/2008		120,000
08-17	Shomali, Maysoun	50,000	12/3/2008	50,000	–
08-18	Welch, Kathy	36,000	12/3/2008		36,000
08-19	Estabrook, Edie	24,000	12/3/2008		24,000
08-20	McCarthy, Daniel F.	18,000	12/3/2008		18,000
08-21	Gallacher, Kyla	6,000	12/3/2008	6,000	–
08-22	Zielstorff, Mark	6,000	12/3/2008	6,000	–
08-23	Downall, Julie	4,800	12/3/2008	4,800	–
08-24	Lumpkins, Mary	3,000	12/3/2008		3,000
09-01	Sullivan, Kelly	25,000	4/9/2009		25,000
09-02	McKay, Kathleen	45,000	4/9/2009	45,000	–
09-03	Czerepak, Elizabeth	75,000	4/9/2009		75,000
09-04	Czerepak, Elizabeth	75,000	12/2/2009		75,000
10-01	Auerbach, Alan	2,084,602	10/12/2010		2,084,602

10-02	Auerbach, Alan	1,765,398	10/12/2010		1,765,398
10-03	Czerepak, Elizabeth	25,000	11/30/2010		25,000

Option Number	Name	# Options	Grant Date	Options Canceled	Options Outstanding
04-051	Ho, Sam	10,000	5/4/2004		–
03-002	Lane, Ben	325,000	12/16/2003	203,125	–
03-003	Henderson, Bart	650,000	12/16/2003	192,969	–
03-001	Hattersley, Gary	162,500	12/16/2003		162,500
03-005	Manolagas, Stavros	1,108,812	11/14/2003		–
03-008	Rosenblatt, Michael	370,241	11/14/2003		–
03-007	Potts, John Thomas	304,374	11/14/2003		–
03-006	Katsenellenbogen, John	606,573	11/14/2003		–
03-004	Pitzele, Barnett	5,000	12/16/2003	1,000	–
04-072	Glass, Chris	10,000	8/12/2004		10,000
04-052	Estabrook, Edith	24,000	5/4/2004		24,000
04-071	Colbourn, Kelly	1,000	8/12/2004		–
04-103	Lyttle, Richard	1,625,000	10/28/2004		1,625,000
04-101	Guy, Keisha	8,000	10/28/2004	8,000	–
04-102	McIntyre, Dotty	8,000	10/28/2004	2,000	–
04-100	Shomali, Maysoun	15,000	12/28/2004	15,000	–
05-01	Glass, Chris	10,000	12/6/2005		10,000
06-02	Hattersley, Gary	81,250	2/15/2006		81,250
06-04	Guy, Keisha	8,000	2/15/2006	8,000	–
06-05	McIntyre, Dotty	8,000	2/15/2006	4,000	–
06-06	Shomali, Maysoun	15,000	2/15/2006	15,000	–
06-01	Ho, Sam	10,000	2/15/2006	7,500	–
06-03	Colbourn, Kelly	3,000	2/15/2006	2,469	–
06-07	O' Dea, Louis	570,000	2/15/2006		339,625
07-01	McIntyre, Dotty	27,000	7/12/2007	23,625	–
07-08	Lyttle, Richard	2,377,688	7/12/2007		2,377,688
07-07	O' Dea, Louis	830,941	7/12/2007		623,206
07-09	Harvey, B. Nicholas	1,250,840	7/12/2007		1,250,840
07-06	Hattersley, Gary	356,653	7/12/2007		356,653
07-11	Katsenellenbogen, John	100,000	7/12/2007		100,000
07-12	Potts, John Thomas	540,790	7/12/2007		540,790
07-13	Rosenblatt, Michael	660,491	7/12/2007		412,805
07-02	Shomali, Maysoun	44,000	7/12/2007	8,250	–
07-03	Estabrook, Edith	16,000	7/12/2007		16,000
07-05	Lumpkins, Mary	3,000	7/12/2007		3,000
07-04	Guerriero, Jonathan	100,000	7/12/2007		62,500
07-14	Grunwald, Maria	137,500	12/6/2007		137,500
07-15	Herendeen, Hillary	8,000	12/6/2007	8,000	–
07-16	Downall, Julie	8,000	12/6/2007	8,000	–
08-01	Welch, Kathy	60,000	2/7/2008		60,000
08-09	Lyttle, Richard	3,040,081	5/8/2008		3,040,081
08-05	O' Dea, Louis	1,064,028	5/8/2008		1,064,028
08-06	Harvey, B. Nicholas	950,025	5/8/2008		950,025

08-08	Hattersley, Gary	456,012	5/8/2008		456,012
08-02	McCarthy, Daniel F.	30,000	5/8/2008		30,000

08-03	Zielstorff, Mark	10,000	5/8/2008	10,000	–
08-04	Gallacher, Kyla	10,000	5/8/2008	10,000	–
08-14	Lyttle, Richard	1,295,640	12/3/2008		1,295,640
08-10	O' Dea, Louis	453,474	12/3/2008		453,474
08-11	Harvey, B. Nicholas	404,888	12/3/2008		404,888
08-13	Hattersley, Gary	194,346	12/3/2008		194,346
08-26	Potts, John Thomas	167,891	12/3/2008		167,891
08-25	Rosenblatt, Michael	204,715	12/3/2008		204,715
08-16	Grunwald, Maria	82,500	12/3/2008		82,500
08-15	Guerriero, Jonathan	120,000	12/3/2008		120,000
08-17	Shomali, Maysoun	50,000	12/3/2008	50,000	–
08-18	Welch, Kathy	36,000	12/3/2008		36,000
08-19	Estabrook, Edie	24,000	12/3/2008		24,000
08-20	McCarthy, Daniel F.	18,000	12/3/2008		18,000
08-21	Gallacher, Kyla	6,000	12/3/2008	6,000	–
08-22	Zielstorff, Mark	6,000	12/3/2008	6,000	–
08-23	Downall, Julie	4,800	12/3/2008	4,800	–
08-24	Lumpkins, Mary	3,000	12/3/2008		3,000
09-01	Sullivan, Kelly	25,000	4/9/2009		25,000
09-02	McKay, Kathleen	45,000	4/9/2009	45,000	–
09-03	Czerepak, Elizabeth	75,000	4/9/2009		75,000
09-04	Czerepak, Elizabeth	75,000	12/2/2009		75,000
10-01	Auerbach, Alan	2,084,602	10/12/2010		2,084,602
10-02	Auerbach, Alan	1,765,398	10/12/2010		1,765,398
10-03	Czerepak, Elizabeth	25,000	11/30/2010		25,000

J. Consulting Agreements

The Corporation has entered into consulting agreements with the following parties:

Party	Effective Date
1. Dr. John Bilezidian	9/14/2005
2. Dr. David Archer	10/24/2005
3. Beckloff Associates, Inc	6/18/2004
4. Terisita Bellido	6/24/2004
5. Dr. M. Shalender Bashin	1/3/2006
6. IntaPro LLC	3/22/2005
7. Access BIO, LC	7/8/2005
8. Dr. John C. Chabala	5/3/2004
9. SVC Associates, Inc	10/25/2005
10. Burton G Christensen	7/23/2004
11. Dr. Mitchell Creinin	10/17/2005
12. Frame and Spence Consulting LLP	7/21/2005

13. Dr. Christopher Glass	9/1/2004
14. Dr. Frances J. Hayes	4/21/2005
15. TLG Consulting Inc	7/1/2005
16. Robert A. Jassmond	4/18/2006
17. Robert Jilka	6/24/2004
18. Dr. John Katzenellenbogen	11/14/2003
19. Cathy Kerzner	11/18/2005
20. Stavroula Kousteni	6/24/2004
21. Richard Labaudiniere	1/1/2004
22. Robert Lindsay	07/26/2004
23. Willis Maddrey	07/23/2004
24. Dr. Stavros C. Manolagas	11/14/2003
25. Dr. Stavros C. Manolagas	12/14/2005
26. Musso and Associates LLC	06/24/2005
27. Musso and Associates LLC	03/08/2006
28. Robert M. Neer	11/22/2005
29. Anthony Norman	6/4/2004
30. Charles O' Brien	06/24/2004
31. Skokie Valley Consulting Agrmt	12/01/2003
32. PK Noonan & Associates LLC	07/08/2005
33. Dr. John Thomas Potts, Jr	11/14/2003
34. Dr. Cliff Rosen	07/22/2005
35. Dr. Michael Rosenblatt	11/14/2003
36. Joseph S. Simon	07/08/2005
37. Ian Smith	07/13/2004
38. Gilbert Stork	07/13/2004
39. KellySci Consulting Inc.	11/16/2007
40. Robert J. Szot	06/22/2005
41. Robert Weinstein	06/24/2004
42. ChanTest Inc	11/08/2005
43. Diamond BioPharm Ltd	10/26/2007
44. Diamond BioPharm Ltd	8/15/2007

45. Diamond BioPharm Ltd	8/15/2007
46. Team Consulting Ltd	8/18/2007
47. Joel Morganroth	10/23/2007
48. Joel Morganroth	10/10/2006
49. INTAPRO LLC	3/22/2005
50. Roy Swaringen	3/6/2008
51. Skokie Valley Consulting Corp.	12/1/2003
52. Target Health Inc.	4/14/2006
53. LGL Consulting LLC	4/28/2008
54. David Archer	3/26/2008
55. Osheroff Consulting Services LLC	8/15/2008
56. Dylan J. Callahan a.k.a. d/b/a Organized Minds	6/1/2008
57. PK Noonan & Associates LLC	9/15/2008
58. Matrix BioAnalytical Laboratories Inc	4/11/2008
59. Prof David Handelsman	2/9/2009

60. David Goltzman	3/4/2009
61. Professor Dennis Black	4/14/2009
62. Dr. Radha Iyengar	7/20/2009
63. Frame and Spence Consulting LLP	5/5/2009
64. Access Bio LC	8/20/2009
65. David Archer, MD	3/27/2009
66. Jean-Francois Sibi	11/2/2009
67. Diamond Biopharm Ltd	11/9/2009
68. Harry Genant, MD	12/12/2009
69. Radha Iyengar	1/19/2010
70. Safety Partners, Inc.	06/03/2004
71. Joel Morganroth	10/10/2006
72. Joel Morganroth	10/23/2007
73. Robert Schenken	07/24/2004
74. Kathleen Banks	11/13/2009
75. Goldmann Consulting LLC	7/5/2010
76. Duck Flats Pharma LLC	8/2/2010
77. Dennis Black	11/29/2010
78. Welsh Consulting	1/20/2011
79. Michael Gross	5/3/2011

K. Employment Agreements

1. Letter Agreement by and between the Corporation and C. Richard Edmund Lyttle, dated July 2, 2004.

2. Letter Agreement by and between the Corporation and B. Nicholas Harvey, dated November 15, 2006.

3. Letter Agreement by and between the Corporation and Louis St. Laurence O' Dea, dated January 30, 2006, as amended by Letter Agreement dated July 21, 2008.

4. Letter Agreement by and between the Corporation and Gary Hattersley, dated November 21, 2003, as amended by Letter Agreement dated July 21, 2008.

5. See also Attachment A to this Schedule 5.6 for the Form of Letter Agreement entered into by and between the Corporation and its at-will employees.

Attachment A to Schedule 5.6

Form of Employee Letter Agreement

,2007

Dear :

It is my pleasure to offer you the position of at Radius Health, Inc. (the "Company"). As you know, I am excited about the contributions that I expect you will make to the success of the Company. Accordingly, if you accept this offer, I would like us to agree that you could start at Radius on or before (the "Start Date"). This offer may be accepted by you by countersigning where indicated at the end of this letter.

DUTIES AND EXTENT OF SERVICE

As , you will report to and you will have responsibility for performing those duties as are customary for, and are consistent with, such position, as well as those duties that may be designated to you from time to time. As you know, your employment will be contingent upon your agreeing to abide by the rules, regulations, instructions, personnel practices, and policies of the Company and any changes therein that the Company may adopt from time to time, and your execution of the Company' s standard Nondisclosure, Developments, and Non-Competition Agreement.

COMPENSATION AND BENEFITS

Your salary will be $ per semi-monthly pay period, minus applicable taxes and withholdings. Such salary may be adjusted from time to time in accordance with normal business practice and in the sole discretion of the Company.

You will be entitled to three weeks paid vacation annually. You will also be entitled to participate in such employee benefit plans and fringe benefits as may be offered or made available by the Company to its employees.

STOCK OPTIONS

At the first meeting of the Company' s Board of Directors following your Start Date, it is my intention that the Company will recommend to the Board of Directors that you receive a common stock option grant of shares. This offer is contingent upon approval by the Board of Directors of your option grant specifically. Promptly after the Grant Date, the Company and you will execute and deliver to each other the Company' s then standard form of stock option agreement, evidencing the Option and the terms thereof. As you know, the Option shall be subject to, and governed by, the terms and provisions of the Plan and your stock option agreement.

NONDISCLOSURE, DEVELOPMENTS AND NON-COMPETITION

As you know, prior to commencing, and as a condition to your employment with the Company, all employees are required to agree to sign a copy of the Company' s standard Nondisclosure, Developments, and Non-Competition Agreement. The Company will ask you to sign this agreement after you have signed and returned this letter and prior to or on your Start Date.

At-Will Employment

This letter shall not be construed as an agreement, either expressed or implied, to employ you for any stated term, and shall in no way alter the Company' s policy of employment at-will, under which both you and the Company remain free to terminate the employment relationship, with or without cause, at any time, with or without notice. Similarly, nothing in this letter shall be construed as an agreement, either express or implied, to pay you any compensation or grant you any benefit beyond the end of your employment with the Company. In addition, nothing in any documents published by the Company shall in any way modify the above terms and these terms cannot be modified in any way by any oral or written representations made by anyone employed by the Company, except by written document signed by C. Richard Lyttle.

NO CONFLICTING OBLIGATION AND OBLIGATIONS

You represent and warrant that the performance by you of any or all of the terms of this letter agreement and the performance by you of your duties as an employee of the Company do not and will not breach or contravene (i) any agreement or contract (including, without limitation,

any employment or consulting agreement, any agreement not to compete or any confidentiality or nondisclosure agreement) to which you are or may become a party on or at an time after the Start Date or (ii) any obligation you may otherwise have under applicable law to any former employer or to any person to whom you have provided, provide or will provide consulting services.

I am pleased on behalf of Radius to extend this offer to have you join us. This is an exciting time for Radius and we would be delighted to have you as part of our organization.

Please acknowledge your acceptance of this offer and the terms of this letter agreement by signing below and returning a copy to me.

Sincerely,

I hereby acknowledge that I have had a full and adequate opportunity to read, understand and discuss the terms and conditions contained in this letter agreement prior to signing hereunder.

Date this day of , 20

Schedule 5.6(e)

Business of the Corporation

None.

Schedule 5.6(f)

Business of the Corporation

None.

Schedule 5.6(g)

Business of the Corporation

1. Indemnification Agreement, dated November 14, 2003, by and between the Corporation and Michael Rosenblatt, M.D.
2. Indemnification Agreement, dated November 14, 2003, by and between the Corporation and Christopher Mirabelli.
3. Indemnification Agreement, dated November 14, 2003, by and between the Corporation and Augustine Lawlor.
4. Indemnification Agreement, dated November 14, 2003, by and between the Corporation and Ansbert K. Gadicke.
5. Indemnification Agreement, dated November 14, 2003, by and between the Corporation and Edward Mascioli, M.D.

6. Indemnification Agreement, dated October 12, 2010, by and between the Corporation and Alan Auerbach.

Schedule 5.12(a)

Intellectual Property

1. The Corporation has filed for registration of its trademark rights in the following marks:

   - N (Design), Application No. 78/391,239, Filing Date: 26-Mar-2004
   - RADIUS, Application No. 78/707,397, Filing Date: 06-Sep-2005
   - RADIUS, Application No. 78/707,419, Filing Date: 06-Sep-2005
   - RADIUS (& Design), Application No. 78/797,031, Filing Date: 23-Jan-2006
   - RADIUS (& Design), Application No. 78/797,016), Filing Date: 23-Jan-2006

2. Domain name: www.radiuspharm.com

3. See also Attachment A to this Schedule 5.12(a).

Attachment A to Schedule 5.12(a)

RADIUS PATENT AND PATENT APPLICATION SUMMARY

RAD-1901

A. Owned by Radius

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Title
3803.1016-000 (US)	61/127,025 (5/09/08)	Richard C. Lyttle, Gary Hattersley, Louis O' Dea	Expired	Pharmaceutical Combinations and Methods of Using Same
3803.1016-001 (PCT)	PCT/US2009/002885 (5/07/09)	Richard C. Lyttle, Gary Hattersley, Louis O' Dea	Pending	Pharmaceutical Combinations and Methods of Using Same
3803.1016-002 (US)	12/991,791 (5/7/09)	Richard C. Lyttle, Gary Hattersley, Louis O' Dea	Pending	Pharmaceutical Combinations and Methods of Using Same
3803.1022-000 (US)	61/334,095 (5/12/10)	Richard C. Lyttle, Gary Hattersley, Louis O' Dea	Pending (Provisional)	Therapeutic Regimens

B. Jointly Owned by Radius and Eisai

HBSR Docket No.	Application Number (Pub. Number-Date) and Filing Date	Inventors	Status	Title
3803.1001-000 (US)	60/816,191 (6/23/06)	Richard C. Lyttle, Bart Henderson, Gary Hattersley	U.S. Provisional; (Expired 06/23/ 07)	Treatment of Vasomotor Symptoms With Selective Estrogen Receptor Modulators
3803.1001-002 (PCT)	PCT/US2007/014598 (WO2008/002490-1/3/ 08) 6/22/07	Richard C. Lyttle, Bart Henderson, Gary Hattersley	Expired	Treatment of Vasomotor Symptoms With Selective Estrogen Receptor Modulators

C. Solely Owned by Radius

HBSR Docket No.	Application Number (Pub. Number-Date) and Filing Date	Inventors	Status	Short Description
3803.1001-003 (US)	12/308,640 (6/22/07) (US 2010/0105733 A1-4/29/2010)	Richard C. Lyttle, Bart Henderson, Gary Hattersley	U.S. National Stage of PCT Pending	Treatment of Vasomotor Symptoms With Selective Estrogen Receptor Modulators
3803.1001-004 (Europe)	07796378.3 (6/22/07) (EP2037905-3/25/09)	Richard C. Lyttle, Bart Henderson, Gary Hattersley	EP Regional Phase Pending	Treatment of Vasomotor Symptoms With Selective Estrogen Receptor Modulators
3803.1001-005 (Canada)	2656067 (6/22/07)	Richard C. Lyttle, Bart Henderson, Gary Hattersley	Canadian National Stage of PCT Pending	Treatment of Vasomotor Symptoms With Selective Estrogen Receptor Modulators

D. Licensed to Radius by Eisai

HBSR Reference No.	Country	App.and/or Patent Number (Pub. Number-Date) and Filing Date	Status	Short Description
3803.0020-003	Australia	2003292625 B2 (2003292625 A1-7/22/2004) 12/25/03	Granted 11/6/2008 Australian National Stage of PCT	Selective Estrogen Receptor Modulators
3803.0020-004	Canada	2512000 12/25/03	Pending Canadian National Stage of PCT	Selective Estrogen Receptor Modulators
3803.0020-002	Europe	EP 2003782904 (1577288 A1-9/21/05) 12/25/03	Pending European Regional Stage of PCT	Selective Estrogen Receptor Modulators

3803.0020-001	USA	US. Patent No. 7,612,114 11/158,245 (2006/0116364-6/1/06) 6/22/05	Granted Continuation-in-Part of U.S. Designation of PCT	Selective Estrogen Receptor Modulators

HBSR Reference No.	Country	App.and/or Patent Number (Pub. Number-Date) and Filing Date	Status	Short Description
3803.0020-000	PCT	PCT/JP2003/016808 (12/25/03) Publication No. WO 2004/058682 (7/15/04)	Expired	Selective Estrogen Receptor Modulators
3803.0020-005	India	2829/DELNP/2005 (12/25/2003)	Pending Indian National Stage of PCT	Selective Estrogen Receptor Modulators
3803.0020-006	Australia	Div. of 2003292625 B2	Pending	Selective Estrogen Receptor Modulators
3803.0020-007	United States	Application No. 12/544,965 8/20/2009 Publication No. US2009/0325930 12/31/2009	Pending	Selective Estrogen Receptor Modulators

SARMS

A. Owned by Radius

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1015-000 (US)	61/066,697 (02/22/08)	Chris P. Miller	Expired	Selective Androgen Receptor Modulators
3803.1015-001 (US)	61/132,353 (6/18/08)	Chris P. Miller	Expired	Selective Androgen Receptor Modulators
3803.1015-002 (US)	61/205,727 (1/21/09)	Chris P. Miller	Expired	Selective Androgen Receptor Modulators
3803.1015-003 (PCT)	PCT/US2009/001035 (2/19/09)	Chris P. Miller	Expired	Selective Androgen Receptor Modulators
3803.1015-004 (US)	12/378,812 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-005 (US)	12/541,489 (8/14/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description

3803.1015-006 (US)	12/806,636 (8/17/10)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-007 (Australia)	2009215843 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-008 (Brazil)	PI09078444 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-009 (Canada)	2716320 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-010 (Europe)	09712082.8 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-011 (India)	6324DELNP2010 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-012 (Japan)	2010547633 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-013 (Mexico)	MXA2010009162 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1019-000 (US)	61/212,399 (4/10/99)	Chris P. Miller	Expired	Selective Androgen Receptor Modulators
3803.1019-001 (PCT)	PCT/US2010/030480 (4/9/10)	Chris P. Miller	Pending Published as WO2010/118287 (10/14/10)	Selective Androgen Receptor Modulators

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1021-000 (US)	61/301,492 (2/4/10)	Chris P. Miller	Expired	Selective Androgen Receptor Modulators
3803.1021-001 (PCT)	PCT/US2011/023768 (2/4/11)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1023-000 (US)	61/361,168 (7/2/10)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1024-000 (US)	61/387,440 (9/28/10)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators

A. Jointly Owned by Radius and Ipsen

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1004-000 (US)	60/848,960 (10/3/06)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Expired	PTHrP Formulation
3803.1004-002 (PCT)	PCT/US2007/021216 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Expired	PTHrP Formulation
3803.1004-003 (US)	12/151,975 (5/9/08)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Granted US Patent No. 7,803,770 (9/28/10)	PTHrP Formulation
3803.1004-004 (Australia)	2007322334 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1004-005 (Brazil)	PU07198213 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-006 (Canada)	2664734 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-007 (China)	200780037021.9 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-008 (Europe)	07870768.4 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-009 (India)	2340DELNP2009 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation

3803.1004-010 (Israel)	197926 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-011 (Japan)	2009531434 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-012 (Korea)	1020097008736 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-013 (Mexico)	MXA2009003569 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1004-014 (New Zealand)	576682 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-015 (Norway)	20091545 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-016 (Russian Federation)	2009116531 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-017 (Singapore)	2009922401 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-018 (Ukraine)	200904264 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-019 (US)	12/311,418 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-020 (PCT)	PCT/US2009/002868 (5/8/09)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Abandoned	PTHrP Formulation

3803.1004-021 (Hong Kong)	09109160.6 (10/2/09)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-022 (US)	12/855,458 (8/12/10)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation

B. Licensed to Radius by Ipsen (BaO58)

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US	USA	08/626,186 (03/29/96)	U.S. Patent 5,723,577 (03/03/98) Expires 03/29/16	Analogs of PTH
038/US2	USA	08/779,768 (01/07/97)	U.S. Patent 5,969,095 (10/19/99) Expires 3/29/16	Claims BA058
038/US/PCT2	PCT	PCT/US96/11292 (07/03/96)	Expired	Analogs of PTH
038/US/PCT2/EP	Europe	96924355.9 (01/30/98) Regional Phase entry of PCT/US96/11292	European Patent 0 847 278 (09/24/03) Expires 07/03/16 Activation in AT, BE, CH, DE, DK, ES, FI, FR, Gb, GR, IE, IT, LI, LU, MC, NL, PT, SE; Ext: AL, LT, LV, SI Now Abandoned in AL, LT, LU, MC, SI, LV	Analogs of PTH
038/US/PCT2/EP-A	Europe	03077383.2 (07/30/03) Divisional of 96924355.9	European Patent No.:1405861 Expires 7/3/2016 Activation in AT, BE, CH, DE, DK, ES, FI, FR, Gb, GR, IE, IT, LI, LU, MC, NL, PT, SE	Analogs of PTH
038-EP-EPD[3]	Europe	10156965.5 (3/18/2010)	Pending	Analogs of PTH
038/US/PCT2/JP	Japan	9-505897 (07/03/96) Regional Phase entry of PCT/US96/11292	Pending Published 8/17/1999	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description

038/US/PCT2/JP-A	Japan	008027/03 (01/16/03) Divisional of 9-505897	Patent No. 4008825 Granted 08/23/07 Expires 7/3/2016	Analogs of PTH
038/US/PCT2/AU	Australia	64834/96 (07/03/96) Regional Phase entry of PCT/US96/11292	Patent No. 707094 (07/01/99) Expires 07/03/16	Analogs of PTH
038/US/PCT2/CA	Canada	2,226,177 (07/03/96) Regional Phase entry of PCT/US96/11292	Patent No.:2,226,177 Expires 7/3/2016	Analogs of PTH
038/US/PCT2/CN	China	96196926.1 (07/03/96) Regional Phase entry of PCT/US96/11292	Patent No. ZL96 196926.1 (2/25/06) Expires 07/03/16	Analogs of PTH
038/US/PCT2/CN-A	China	200410005427.2 (07/03/96) Divisional of 96196926.1	Patent No.. ZL200410005427.7 (8/20/02) Expires 07/03/16	Analogs of PTH
038/US/PCT2/CN-C	China	2006 10100113.4 (7/21/06) Divisional of 2004 10005427.7	Patent No.: ZL200610100113 Expires 7/3/2016	Analogs of PTH
038-CN-DIV[4]	China	20100150544.8	Pending	Analogs of PTH
038/US/PCT2/CN-HK	Hong Kong	99100132.1 (01/13/99) Registration in Hong Kong of 961 96926.1	Patent No. 1 014 876 Expires 07/03/16	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US/PCT2/HU	Hungary	P9901718 (07/03/96) Regional Phase entry of PCT/US96/11292	Patent No.: 226935 Expires 7/3/2016	Analogs of PTH
038/US/PCT2/IL	Israel	122837 (07/03/96 Regional Phase entry of PCT/US96/11292	Patent No. 122837 (02/11/03) Expires 07/03/16	Analogs of PTH

038/US/PCT2/KR	Korea	1998-0700249 (07/03/96) Regional Phase entry of PCT/US96/11292	Patent No. 0500853 (07/04/05) Expires 07/03/16	Analogs of PTH
038/US/PCT2/KR-A	Korea	2004-706338 (04/28/04) Divisional of 1998-0700249	Patent No. 0563600 (3/16/06) Expires 07/03/16	Analogs of PTH
038/US/PCT2/KR-B	Korea	2004-706339 (04/28/04) Divisional of 1998-0700249	Patent No. 0563601 (3/16/06) Expires 07/03/16	Analogs of PTH
038/US/PCT2/KR-C	Korea	2004-706340 (04/28/04) Divisional of 1998-0700249	Patent No. 0563602 (3/16/06) Expires 07/03/16	Analogs of PTH
038/US/PCT2/KR-D	Korea	2004-706341 (04/28/04) Divisional of 1998-0700249	Patent No. 0563112 (3/15/06) Expires 07/03/16	Analogs of PTH
038/US/PCT2/MX	Mexico	PA/a/1998/000418 (07/03/96) Regional Phase entry of PCT/US96/11292	Patent No. 222317 (08/26/04) Expires 07/03/16	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US/PCT2/NZ	New Zealand	312899 (01/20/98) Regional Phase entry of PCT/US96/11292	Patent No. 312899 (02/08/00) Expires 07/03/16	Analogs of PTH
038/US/PCT2/PL	Poland	P.325905 (01/12/98) Regional Phase entry of PCT/US96/11292	Patent No. 186710 (08/07/03) Expires 07/03/16	Analogs of PTH
*038/US/PCT2/RU	Russia	98/102406 (7/3/96)	Patent No. 2,157,699 (10/20/00)	Analogs of PTH
*038/US/PCT2/SG	Singapore	9706046.1 (7/3/96)	Patent No. P-51260 (10/16/01)	Analogs of PTH
*038/US/TW	Taiwan	85108390 (07/11/96)	Patent No. 153897 (08/07/02)	Analogs of PTH

038/US3	USA	08/813,534 (03/07/97)	Patent No. 5,955,574 (09/21/99) Expires 03/29/16	Analogs of PTH
038/US3/PCT2	PCT	PCT/US97/22498 (12/08/97)	Expired	Analogs of PTH
038/US3/PCT2/US2	USA	09/399,499 (09/20/99)	Patent No. 6,544,949 (04/08/03) Expires 03/29/16	Claims a method of treating osteoporosis with BA058 and a pharmaceutical composition including BA058
038/US3/PCT2/US2-A	USA	10/289,519 (11/06/02)	Patent No. 6,921,750 (07/26/05) Expires 03/29/16 **Reissue Application** filed 9/16/06 Application No. 11/523,812	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US3/PCT2/US2-B	USA	11/094,662 (03/30/05)	Patent No. 7632811 Expires 9/6/2019	Analogs of PTH
038/US3/PCT2/EP	Europe	97951595.4 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. EP0948541 (03/29/06) Expires 12/08/17 Activation in: AT, BE, CH, LI, DE, DK, ES, FI, FR, GB, GR, IE, IT, LU, MC, NL, PT, SE; Extension States: AL, LT, LV, MK, RO and SI Now Abandoned in AL, LT, LU, MK, MC, RO, SI	Analogs of PTH
038/US3/PCT2/EP-A	Europe	05026436.5 (12/12/05) Divisional of EP 97951595.4	European Patent No. 1645566 Expires 12/8/2017 Activation in: AT, BE, CH, DE, DK, ES, FI, FR, GB, GR, IE, IT, NL, PT, SE	Analogs of PTH
038/US3/PCT2/JP	Japan	10-530865 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 3963482 06/01/07 Expires 12/08/17	Analogs of PTH
038/US3/PCT2/AU	Australia	55199/98 (12/08/97) National Stage of PCT/	Patent No. 741584 (03/21/02) Expires 12/08/17	Analogs of PTH

		US97/22498 (12/08/97)		
038/US3/PCT2/CA	Canada	2,276,614 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 2,276,614 (06/11/02) Expires 12/08/17	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US3/PCT2/CN	China	97181915.7 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. ZL97181915.7 (02/11/04) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/CN-HK	Hong Kong	00105467.3 (12/08/00) Registration of 97181915.7	1026215 (07/09/04) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/CZ	Czech Republic	PV 1999-2398 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No.298937 (02/06/08) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/CZ-A	Czech Republic	PV2005-594 (9/16/05) Divisional of PV 2398-99	Pending	Analogs of PTH
038/US3/PCT2/HU	Hungary	P9904596 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Pending Published 6/28/2000	Analogs of PTH
038/US3/PCT2/HU-A	Hungary	P0600009 (1/11/06) Divisional of HU P 99 04596	Pending Published 01/26/2006	Analogs of PTH
038/US3/PCT2/IL	Israel	130794 (12/08/07) National Stage of PCT/ US97/22498 (12/08/97)	Patent No.130794 (07/03/06) Expires 12/08/17	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US3/PCT2/IN	India	7/MAS/98 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 228906 Expires 1/1/2018	Analogs of PTH
038/US3/PCT2/IN-A	India	63/CHE/2008 (01/08/08) Divisional of 7/MAS/98	Pending	Analogs of PTH
038/US3/PCT2/IN-B	India	456/CHE/2008 (02/22/08) Divisional of 7/MAS/98	Pending	Analogs of PTH
038/US3/PCT2/KR	Korea	1999-7006165 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 0497709 (06/17/05) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/KR-A	Korea	2005-7003295 (2/25/05) Divisional of KR 1999-7006165	Patent No. 0699422 (3/19/07) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/MX	Mexico	Pa/a/1999/006387 (12/08/97)	Patent No. 222316 (08/26/04) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/NZ	New Zealand	336610 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 336610 (11/09/01) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/PL	Poland	P-334438 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 191898 (2/15/06) Expires 12/08/17	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US3/PCT2/PL-A	Poland	P.370525 (10/04/04) Divisional of P.33438	Patent No. 191239 (09/03/07) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/RU	Russia	99117145 (12/08/97) National Stage of PCT/	Patent No. 2,198,182 (02/10/03) Expires 12/08/17	Analogs of PTH

		US97/22498 (12/08/97)		
038/US3/PCT2/SG	Singapore	9903165.0 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 66567 (07/18/00) Expires 12/08/17	Analogs of PTH
038/US2/US3/TW	Taiwan	87100028 (01/02/98)	Patent No. 156542 (06/01/02) Expires 01/02/18	Analogs of PTH
038/US/PCT2/CN-C/HK	HK	Filing 07103960.3 4/16/2007	Patent No. HK1096976 Expires 7/3/2016	Analogs of PTH
038/US3/PCT2/US2-C	US	Filing 11/684,383 3/09/2007	Patent No. 7,410,948 (8/12/08) Expires 03/29/16	Analogs of PTH

B. Jointly Owned by Radius and 3M

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1025-000 (US)	61/478,466 (4/22/2011)	Gary Hattersley, Kris J. Hansen, Amy S. Determan	Pending	Method of drug delivery for PTH, PTHrP, and related peptides.

Schedule 5.12(b)

Intellectual Property

1. See items listed as "Jointly Owned" or "Licensed to Radius" in Item 3 of Schedule 5.12(a).

2. Certain rights licensed to 3M pursuant to that certain Development and Clinical Supplies Agreement with 3M dated June 19, 2009.

Schedule 5.12(c)

Intellectual Property

1. See items listed as "Jointly Owned" or "Licensed to Radius" in Item 3 of Schedule 5.12(a).

2. Certain rights licensed to 3M pursuant to that certain Development and Clinical Supplies Agreement with 3M dated June 19, 2009.

Schedule 5.12(e)

Intellectual Property

None.

Schedule 5.12(f)

Intellectual Property

1. See items listed as "Jointly Owned" or "Licensed to Radius" in Item 3 of Schedule 5.12(a).

2. Certain rights licensed to 3M pursuant to that certain Development and Clinical Supplies Agreement with 3M dated June 19, 2009.

Schedule 5.12(g)

Intellectual Property

1. See items listed as "Jointly Owned" or "Licensed to Radius" in Item 3 of Schedule 5.12(a).

2. Certain rights licensed to the Corporation pursuant to that certain Development and Clinical Supplies Agreement with 3M dated June 19, 2009.

Schedule 5.12(h)

Intellectual Property

None.

Schedule 5.12(i)

Intellectual Property

None.

Schedule 5.14(a)

Title to Properties

None.

Schedule 5.14(b)

Title to Properties

1. Sublease by and between the Corporation and Sonos, Inc., dated January 14, 2011, for the property located at 201 Broadway, Cambridge, Massachusetts.

Schedule 5.15

Investments in Other Persons

1. Demand Promissory Note issued by MPM Acquisition Corp. to the Corporation, dated November 22, 2010.

Schedule 5.16

ERISA

1. Radius Health, Inc. 401(k) Plan

2. Radius Health, Inc. Flexible Spending Account Plan

Schedule 5.17

Use of Proceeds

1. The Corporation anticipates using the net proceeds from the sale of the Series A-1 Preferred Stock to complete enrollment of the Phase 3 study of the subcutaneous form of the Corporation' s product candidate BA058 (PTHrP analog), complete the Phase 1b study of the transdermal form of BA058, bolster the Corporation' s balance sheet to improve negotiation leverage with potential partners, and to complete a reverse merger with a publicly reporting Form 10 shell enabling the Corporation to eventually become publicly traded and listed on a national securities exchange such as Nasdaq. The amounts actually expended by the Corporation for the above purposes may vary significantly depending on numerous factors, including future revenue growth, if any, the progress of the Corporation' s research and development efforts and technological advances and hence, the Corporation' s management will retain broad discretion in the allocation of the net proceeds from the Series A-1 Preferred Stock.

Schedule 5.18

Permits and Other Rights; Compliance with Laws

None.

Schedule 5.19

Insurance

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
COMMERCIAL PACKAGE	Travelers Property Casualty Co. of AME	6305876P819	01/30/2011 - 01/30/2012	$5,598.00

PROPERTY

Replacement Cost Valuation on Personal Property
Special Form Causes of Loss including Equipment Breakdown

Scheduled Location

201 Broadway
Cambridge , MA 02139

Limits

Business Personal Property	$1,050,000
Business Income/Extra Expense	$250,000
Property at Unscheduled Location	$50,000
Property in Transit	$50,000

Deductibles

Property	$2,500
Business Income Waiting Period	24 Hours

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
COMMERCIAL PACKAGE	Travelers Property Casualty Co. of AME	6305876P819	01/30/2011 - 01/30/2012	$5,598.00

GENERAL LIABILITY

General Aggregate Limit	$2,000,000

Products/Completed Operations Aggregate	Excluded
Each Occurrence Limit	$1,000,000
Advertising Injury and Personal Injury Limit	$1,000,000
Premises Damage	$300,000
Medical Expense	$10,000

EMPLOYEE BENEFITS LIABILITY (CLAIMS-MADE)

Each Claim Limit	$1,000,000
Aggregate Limit	$3,000,000
Deductible	$0

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
FOREIGN PACKAGE	Travelers Property Casualty Co. of AME	TE06904263	01/30/2011 - 01/30/2012	$2,500.00

INTERNATIONAL GENERAL LIABILITY

General Aggregate Limit	$2,000,000
Products/Completed Operations Aggregate	Excluded
Each Occurrence Limit	$1,000,000
Advertising Injury and Personal Injury Limit	$1,000,000
Premises Damage	$300,000
Medical Expense	$10,000

INTERNATIONAL AUTOMBOBILE

HIRED & NON-OWNED AUTO LIABILITY – EXCESS/DIC

Combined Single Limit for Bodily Injury and/or Property Damage	$1,000,000

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
FOREIGN PACKAGE	Travelers Property Casualty Co. of AME	TE06904263	01/30/2011 - 01/30/2012	$2,500.00

Medical Payments	$10,000

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
FOREIGN PACKAGE	Travelers Property Casualty Co. of AME	TE06904263	01/30/2011 - 01/30/2012	$2,500.00

FOREIGN VOLUNTARY WORKERS' COMPENSATION

Description of Covered Employees	
International Executive Employees -	State of Hire Benefits
Other International Employees -	Country of Origin Benefits

EMPLOYER' S LIABILITY

Limits of Liability	
Bodily Injury by Accident (Each Accident)	$1,000,000
Bodily Injury by Disease (Aggregate)	$1,000,000
Bodily Injury by Disease (Each Employee)	$1,000,000

Coverage Extensions	
Repatriation/Transportation - Each Person	$25,000
Repatriation/Transportation - Aggregate	$50,000

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
COMMERCIAL AUTOMOBILE	Charter Oak Fire Ins. Co.	BA5881P281	01/30/2011 - 01/30/2012	$683.00

HIRED & NON-OWNED AUTO LIABILITY

Combined Single Limit for Bodily Injury and/or Property Damage	$1,000,000

HIRED CAR PHYSICAL DAMAGE

Limit	Actual Cash Value
Comprehensive Deductible	$0
Collision Deductible	$500

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
WORKERS' COMPENSATION	Charter Oak Fire Ins. Co.	UB9485C327	01/30/2011 - 01/30/2012	$4,040.00 *Subject to Audit*

COVERAGEWORKERS' COMPENSATION A -

Statutory in MA

COVERAGEEMPLOYER' S LIABILITY
B -

Bodily Injury by Accident (Each Accident) $500,000
Bodily Injury by Disease (Aggregate) $500,000
Bodily Injury by Disease (Each Employee) $500,000

COVERAGEOTHER STATES except
C -

ND, OH, WA, WY & those listed in Coverage A

Note: Coverage C has limitations. Please contact WGA if you begin operations in any state not listed under Coverage A.

Based on estimated payroll as follows:

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
WORKERS' COMPENSATION	Charter Oak Fire Ins. Co.	UB9485C327	01/30/2011 - 01/30/2012	$4,040.00 *Subject to Audit*

MA

Class Code	Class Description	Payroll
8810	Clerical Office Employees NOC	$1,300,000
4512	Biomedical Research Laboratories	$1,400,000

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
COMMERCIAL UMBRELLA	St. Paul Fire & Marine Insurance Co.	TE06904241	01/30/2011 - 01/30/2012	$4,004.00

LIMITS OF LIABILITY

Per Occurrence	$5,000,000
General Aggregate	$5,000,000
Self-Insured Retention	$10,000

Underlying Coverages
Domestic General Liability
Domestic Employee Benefits Liability
Domestic Employer' s Liability
Domestic Automobile Liability

Foreign General Liability
Foreign Employer' s Liability
Foreign Automobile Liability

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
PRODUCTS LIABILITY	Federal Insurance Company	35854927	01/30/2011 - 01/30/2012	$55,500.00

LIMITS OF LIABILITY

Aggregate Limit	$10,000,000
Each Occurrence Limit	$10,000,000
Deductible – Each Event	$25,000
Retroactive Dates:	
$5,000,000	1/20/2006
$5,000,000 excess of $5,000,000	7/17/2008
Rated on Number of Participant	2,448

Claims-Made Coverage
Defense Costs included in Limit of Liability

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
WORLD WIDE TRANSIT	Allianz Global Corporate Specialty-AGCS	OC91225900	03/25/2011 - 03/25/2012	$16,600.00

Transit Limits

Any One Vessel/Connecting Conveyance	$1,200,000
Any One Aircraft/Connecting Conveyance	$1,200,000
Any One Inland Conveyance	$1,200,000
Deductible	$2,500

Storage Limits

Aptuit	$8,500,000
12 Clinical Sites	$3,200,000
Deductible	$5,000

** No Single Location to exceed $1,100,000*

COVERAGE AND LIMITS		INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
MANAGEMENT LIABILITY		Federal Insurance Company	82108432	10/08/2010 - 10/08/2011	$23,445.00
DIRECTORS' & OFFICERS' LIABILITY					
Maximum Aggregate Limit	$5,000,000				
Dedicated Limit for Executives	$500,000				
Deductibles:					
Non-Indemnified Loss	$0				
Indemnified Loss	$25,000				
Company Loss	$25,000				
Prior & Pending Litigation Date	4/29/2005				
Claims-Made Coverage					
Defense Costs included in Limit of Liability					

COVERAGE AND LIMITS		INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
MANAGEMENT LIABILITY		Federal Insurance Company	82108432	10/08/2010 - 10/08/2011	$23,445.00
EMPLOYMENT PRACTICES LIABILITY					
Maximum Aggregate Limit	$5,000,000				
Third Party Liability Limit	$5,000,000				
Deductibles:					
EPL	$5,000				

COVERAGE AND LIMITS		INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
MANAGEMENT LIABILITY		Federal Insurance Company	82108432	10/08/2010 - 10/08/2011	$23,445.00
Third Party	$5,000				
Prior & Pending Litigation Date	4/29/2005				
Claims-Made Coverage					
Defense Costs included in Limit of Liability					
FIDUCIARY LIABILITY					

Maximum Aggregate Limit	$1,000,000
Deductible	$0
Prior & Pending Litigation Date	4/29/2005
Claims-Made Coverage	
Defense Costs included in Limit of Liability	

KIDNAP & RANSOM COVERAGE

Kidnapping and Extortion Threat	$1,000,000
Custody	$1,000,000
Expense	$1,000,000
Accidental Loss	$1,000,000
(i) Loss of Life	$1,000,000
(ii) Mutilation	25%
(iii) All other	100%
Legal Liability Costs	$1,000,000
Emergency Political Repatriation	$500,000

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
DENMARK - FOREIGN CLINICAL TRIAL	Newline	59001710A188	10/14/2010 - 10/14/2013	$45,000 *(plus 14% tax)*
Policy Limit 5,000,000				
Deductible 1,500				

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
DENMARK - FOREIGN CLINICAL TRIAL	Newline	59001710A188	10/14/2010 - 10/14/2013	$45,000 *(plus 14% tax)*
Number of Subjects 750				
COVERAGE AND LIMITS	**INSURANCE COMPANY**	**POLICY NUMBER**	**TERM**	**PREMIUM**
CZECH REPUBLIC - FOREIGN CLINICAL TRIAL	Newline	59001710A187	10/19/2010 - 10/19/2013	$21,375
Policy Limit 2,500,000				
Policy Sublimit 250,000				
Deductible 0				
Number of Subjects 225				
COVERAGE AND LIMITS	**INSURANCE COMPANY**	**POLICY NUMBER**	**TERM**	**PREMIUM**
ESTONIA - FOREIGN CLINICAL TRIAL	QBE Syndicate 1886	10ME222515KA076	10/19/2010 - 10/19/2013	$17,750

Policy Limit	5,000,000
Deductible	1,500
Number of Subjects	175

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
LITHUANIA - FOREIGN CLINICAL TRIAL	QBE Syndicate 1886	10ME222515KA077	10/19/2010 - 10/19/2013	$17,750

Policy Limit	17,500,000 LTL
Policy Sublimit	100,000 LTL
Deductible	1,500
Number of Subjects	175

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
POLAND - FOREIGN CLINICAL TRIAL	QBE Syndicate 1886	10ME222515KA078	10/19/2010 - 10/19/2013	$17,750

Policy Limit	5,000,000
Deductible	0
Number of Subjects	150

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
LITHUANIA - FOREIGN CLINICAL TRIAL	QBE Syndicate 1886	10ME222515KA077	10/19/2010 - 10/19/2013	$17,750

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
ROMANIA - FOREIGN CLINICAL TRIAL	Newline	59001710A189	10/19/2010 - 10/19/2013	$14,000

Policy Limit	5,000,000
Deductible	1,500
Number of Subjects	125

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
BRAZIL - FOREIGN CLINICAL TRIAL	HDI-Gerling	39001162602140	10/20/2010 - 10/20/2013	$33,000

Policy Limit	$1,000,000
Deductible	$10,000
Number of Subjects	400

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
HONG KONG - FOREIGN CLINICAL TRIAL	HDI-Gerling	16000000245983	10/20/2010 - 10/20/2013	297,400 HKD

Policy Limit	20,000,000 HKD
Policy Sublimit	10,000,000 HKD
Deductible	50,000 HKD
Number of Subjects	400

* All Foreign Clinical Trial premiums are subject to audit at expiration.

Schedule 5.20

Board of Directors

1. The Corporation has agreed pursuant to that certain Term Sheet dated March 31, 2011, to allocate four of the seven seats on the Board of Directors to certain of the Investors listed in Schedule I to the Purchase Agreement.

2. The Corporation has agreed, in Article III, Section A.6(b) of its Fourth Amended and Restated Certificate of Incorporation, filed with the Secretary of State of the State of Delaware on May 17, 2011, to allocate four of the seven seats on the Board of Directors to certain of the Investors listed in Schedule I to the Purchase Agreement.

Schedule 5.22(a)

Environmental Matters

None.

Schedule 5.22(d)

Environmental Matters

1. The following chemicals, radioactive materials, or other potentially harmful materials or substances were present or used on the Property at 300 Technology Square, Cambridge, Massachusetts 02139, which is no longer occupied by the Corporation:

Less than 10 liters	**Less than 1 liter**	**Less than 1 kg**	**Less than 10g**
Acetone	acetic acid	4-C2-Hydroxyethyl-1-piperazineethanesulfonic acid	Adenoslne 5' Triposphate Disodium
Ethanol	acetonitrile	acrylamide	All Gel Dydrazide
Isopentyl alcohol	Benzyl alcohol	agarose	abendonate
Methanol	butanol	albumin	Bromopherol blue
Wescodyne	chloroform	aromoblum acetate	Cholecalciferol
Xylene	Citric Acid	beta-cyclodextrin	Dihydroxytestosterone
bleach	Coomassie Blue Stain	Calcium Chloride	estradiol
	DEPC water	Carbamychofine Chloride	Ethldium Bromide

diethyl pyrocarbonate	Chloramidopropyl (Dimethylammonio)-2 Hydroxy-1-Propoanesultonate	Forskolin
dimethylacetamide	Chloramphenicol	Geneticin
dimethylformamide	dextran sulfate	Heparin Sodium
dimethylsuloxide	dithothrepl	ketamine
Ethyl Acetate	ettylepadiamine tetraacetic acid	Lipopolysaccharide
Ethyl Alcohol	Gelatin	nandrolone
Ethylene Glycol	Glucose	Phorbal‐12-myristate 13 acetate
formic acid	glycine	raloxfene
glycerol	Guanldine thcyanate	streptavicin
heptane	hemaloxylin	tamoxlene
Hexane	Hepes Free Acid	testosterone
hydrochloric acid	Hexamine cobalt trichloride	tetracycline hydrochloride
hydrogen peroxide	Histopaque 1077	toluidine blue
isoflurane	magnesium chloride	xyazine
isopropyl alcohol	Magnesium Sulfate	xylene canole
mercapioethanol	melthycellulose	
octane	methylmethacrylate	
pH calibration buffers 4, 7, 10	paraffin wax	
phenol	Paraformaldehyde	
phenopthalein	Phosphate buffered saline	
phosphate buffered saline	polyvinlypyrolidone	
phosphoric acid	Potassium Acetate	
polyoxyethylene	potassium chloride	
potassium hydroxide	Potassium Hydroxide	
Propanol	sodium Acetate	
propylene glycol	sodium Azide	
sulphuric acid	sodium bicarbonate	
Tetramethylbenzidine	Sodium Carbonate	
trichioroacatic acid	Sodium chloride	
triethanplamine	Sodium hydroxide	
Tritton X-100	Sodium phosphate	
	Sucrose	
	Tetraethylammonium chloride	
	Thioglycolic acid	
	trishydorchloride	

Human Cell Line	**Murine Cell Line**	**Other Cell Lines**
HeLa	C2C12	HEK293
HOB	ST2	COS
SaOs2	MC3T3E1	
MG63	U32	
U2OS	OB6	
	UMR106	
	MLOY4	

Radioactive Material	**Chemical/Physical Form**	**Maximum Possession Limit**

A.	Hydrogen-3	A.	Any	A	20 millicuries
B.	Carbon-14	B.	Any	B.	5 millicuries
C.	Phosphorus-32	C.	Any	C.	20 millicuries
D.	Phosphorus-33	D.	Any	D.	20 millicuries
E.	Sulfur-35	E.	Any	E.	20 millicuries
F.	Iodine-125	G.	Bound	G.	5 millicuries

Schedule 5.22(e)

Environmental Matters

1. The premises previously subleased by the Corporation and located at 300 Technology Square, Cambridge, Massachusetts 02139.

Schedule 5.22(f)

Environmental Matters

None.

Schedule 10

Certain Covenants

1. Pursuant to an engagement with Leerink Swann LLC ("Leerink") for services in connection with the Series A-1 Financing, the Corporation has agreed to issue to Leerink a Warrant to purchase 24,564 shares of Series A-1 Convertible Preferred Stock at the Stage I Closing.

2. On December 21, 2010, the Corporation Accepted and Agreed to a Proposal from GE Healthcare Financial Services, Inc. ("GEHFS") and Oxford Finance Corporation ("Oxford Finance") which forth the terms on which GEHFS and Oxford Finance Corporation would provide debt financing to the Corporation in an aggregate amount of $25m in tree tranched term loans. As part of the Proposal, the Corporation would be required to issue to GEHFS and Oxford Finance warrants to purchase, in the aggregate, 122,820 shares of Series A-1 Convertible Preferred Stock and to grant to GEHFS the right to purchase up to an additional 122,820 shares on terms substantially the same as those on which MPM is making their investment in the Corporation in the Series A-1 Financing. It is expected that operative documents pertaining to such debt financing will be finalized on or about the Stage I Closing Date.

3. Pursuant to the terms of that certain License Agreement by and between the Corporation and Ipsen Pharma SAS ("Ipsen"), as amended, the Corporation may issue shares of Series A-1 Preferred Stock to Ipsen as payment milestones, in lieu of cash payments, at $8.142 per share.

Exhibit 10.26

Execution Copy

SERIES A-1 CONVERTIBLE PREFERRED
STOCK PURCHASE AGREEMENT

THIS AGREEMENT, dated this 25th day of April, 2011 is entered into by and among Radius Health, Inc., a Delaware corporation (the "Corporation"), the persons listed on Schedule I attached hereto (the "Investors," and each individually, an "Investor").

WHEREAS, the Corporation and the Investors wish to provide for the issuance of shares of Series A-1 Preferred Stock (as hereinafter defined), as more specifically set forth hereinafter.

NOW, THEREFORE. in consideration of the mutual covenants and agreements herein contained, the parties hereto, intending to be legally bound, hereby agree as follows:

SECTION 1. Filing of Restated Certificate of Incorporation.

1.1 Recapitalization.

(a) Prior to the Stage I Closing (as defined in Section 4(a) hereof), the Corporation shall have filed the Fourth Amended and Restated Certificate of Incorporation of the Corporation, in the form attached hereto as Exhibit A (the "Restated Certificate"). Pursuant to the Restated Certificate, among other things:

(i) simultaneously with the effective date of the filing of the Restated Certificate (the "Split Effective Date"), a reverse split (the "Reverse Split") of the Corporation' s outstanding capital stock shall occur as follows: (A) each share of the Corporation' s Common Stock, par value $.01 per share ("Common Stock"), issued and outstanding or held as treasury shares immediately prior to the Split Effective Date shall automatically without any action on the part of the holder thereof, be reclassified and changed into 0.06666667 of one share of Common Stock from and after the Split Effective Date, (B) each share of the Corporation' s Series A Junior Convertible Preferred Stock, par value $.01 per share ("Series A Stock"), issued and outstanding or held as treasury shares immediately prior to the Split Effective Date shall automatically without any action on the part of the holder thereof, be reclassified and changed into 0.06666667 of one share of Series A Stock from and after the Split Effective Date, (C) each share of the Corporation' s Series B Convertible Redeemable Preferred Stock, par value $.01 per share ("Series B Stock"), issued and outstanding or held as treasury shares immediately prior to the Split Effective Date shall automatically without any action on the part of the holder thereof, be reclassified and changed into 0.06666667 of one share of Series B Stock from and after the Split Effective Date and (D) each share of the Corporation' s Series C Convertible Redeemable Preferred Stock, par value $.01 per share ("Series C Stock" and together with the Series A Stock and the Series B Stock, the "Existing Preferred Stock"), issued and outstanding or held as treasury shares immediately prior to the Split Effective Date shall automatically without any action on the part of the holder thereof, be reclassified and changed into 0.06666667 of one share of Series C Stock from and after the Split Effective Date;

(ii) in the event that a current stockholder of the Corporation does not participate in the financing contemplated hereby at least at the level of its Pro Rata Share (as defined below), by committing to purchase and purchasing (or securing an investor

---

who commits to purchase and purchases) at least at the level of its Pro Rata Share, a percentage of each series of such holder' s Existing Preferred Stock equal to such holder' s Applicable Portion (as defined in the Restated Certificate) shall automatically convert into shares of Common Stock (all such shares of Common Stock being referred to herein, collectively, as the "Forced Conversion Shares"), at a rate of 1

share of Common Stock for every 5 shares of Existing Preferred Stock to be so converted, such automatic conversion (hereinafter, the "Forced Conversion") to occur and become effective immediately prior to the consummation of the Stage I Closing (the "Effective Time");

(iii) each share of Series C Stock remaining outstanding after the Forced Conversion shall, immediately following the Forced Conversion, automatically be reclassified and converted into one (1) share of Series A-2 Preferred Stock (as defined in Section 1.2 hereof), and all accrued dividends on such reclassified share of Series C Stock shall be forfeited;

(iv) each share of Series B Stock remaining outstanding after the Forced Conversion shall, immediately following the Forced Conversion, automatically be reclassified and converted into one (1) share of Series A-3 Preferred Stock (as defined in Section 1.2 hereof), and all accrued dividends on such reclassified share of Series B Stock shall be forfeited; and

(v) each share of Series A Stock remaining outstanding after the Forced Conversion shall, immediately following the Forced Conversion, automatically be reclassified and converted into one (1) share of Series A-4 Preferred Stock (as defined in Section 1.2 hereof) (the automatic reclassification and conversion of the Existing Preferred Stock pursuant to the Restated Certificate into shares of Series A-2 Preferred Stock, Series A-3 Preferred Stock and Series A-4 Preferred Stock, as applicable, as described in the provisions set forth above, is hereinafter referred to as the "Automatic Reclassification"). The Reverse Split, the Forced Conversion and the Automatic Reclassification are hereinafter referred to, collectively, as the "Recapitalization".

(b) As used in this Agreement, the term "Pro Rata Share" means, with respect to any holder of Existing Preferred Shares (an "Existing Preferred Holder"), that amount equal to $35,000,000 multiplied by the quotient obtained by dividing (A) the number of shares of issued and outstanding Common Stock owned by such Existing Preferred Holder as of March 31, 2011 (or, in the case of a holder of Existing Preferred Stock who received all of its shares of Existing Preferred Stock in a transfer from a former holder of Existing Preferred Stock occurring after March 31, 2011, the number shares of issued and outstanding Common Stock owned by such former holder of Existing Preferred Stock as of March 31, 2011) by (B) the aggregate number of shares of issued and outstanding Common Stock owned as of such date by all Existing Preferred Holders. For purposes of the computation set forth in clauses (i) and (ii) above, all issued and outstanding securities held by Existing Preferred Holders that are convertible into or exercisable or exchangeable for shares of Common Stock (including any issued and issuable shares of Existing Preferred Stock) or for any such convertible, exercisable or exchangeable securities, shall be treated as having been so converted, exercised or exchanged at the rate or price at which such securities are convertible, exercisable or exchangeable for shares of Common Stock in effect at the time in question, whether or not such securities are at such time

immediately convertible, exercisable or exchangeable.

(c) The procedures for implementing the Recapitalization are more specifically set forth in the Restated Certificate.

(d) Saints Capital VI, L.P. is an investor who commits to purchase for each of Oxford Bioscience Partners IV L.P and mRNA Fund II L.P. shares of Series A-1 Preferred Stock (with any shortfall in the purchase by Saints Capital VI, L.P. of the Pro Rata Share of Oxford Bioscience Partners IV L.P. and mRNA Fund II L.P. being allocated equally to each of them on a percentage basis).

(e) All stock numbers and prices set forth in this Agreement give effect to the Reverse Split and no further adjustments are necessary with respect thereto.

1.2 Rights and Preferences of the Authorized Stock. In addition to setting forth the Recapitalization, the Restated Certificate also sets forth, among other things, the terms, designations, powers, preferences, and relative, participating, optional, and other special rights, and the qualifications, limitations and restrictions of the Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock, Series A-4 Preferred Stock, Series A-5 Preferred Stock and Series A-6 Preferred Stock (as such terms are hereinafter defined). Pursuant to the Restated Certificate, the Corporation shall be authorized to issue up to (i) 34,859,964 shares of Common Stock, par value $.01 per share ("Common Stock"), and (ii) 29,364,436 shares of Preferred Stock (the "Preferred Stock"), 10,000,000 of which shall

have been designated as Series A-1 Convertible Preferred Stock, par value $.01 per share ("Series A-1 Preferred Stock"), 9,832,133 of which shall have been designated as Series A-2 Convertible Preferred Stock, par value $.01 per share ("Series A-2 Preferred Stock"), 1,422,300 of which shall have been designated as Series A-3 Convertible Preferred Stock, par value $.01 per share ("Series A-3 Preferred Stock"), 40,003 of which shall have been designated as Series A-4 Convertible Preferred Stock, par value $.01 per share ("Series A-4 Preferred Stock"), 70,000 of which shall have been designated as Series A-5 Convertible Preferred Stock, par value $.01 per share ("Series A-5 Preferred Stock"), and 8,000,000 of which shall have been designated as Series A-6 Convertible Preferred Stock, par value $.01 per share ("Series A-6 Preferred Stock"). The Common Stock and the Preferred Stock shall have the respective terms as set forth in the Restated Certificate.

SECTION 2. Authorization of Issuance and Sale of Series A-1 Preferred Stock; Reservation of Reserved Common Shares.

Subject to the terms and conditions of this Agreement, the Corporation has authorized the following:

(a) the issuance on the Stage I Closing Date (as defined in Section 4(a) hereof) of an aggregate of 2,631,845 shares of Series A-1 Preferred Stock (subject to adjustment to reflect stock splits, stock dividends, stock combinations, recapitalizations and like occurrences other than the Reverse Split) (such shares of Series A-1 Preferred Stock being sometimes hereinafter referred to as the "Stage I Preferred Shares"), and the reservation of an equal number of shares of Common Stock for issuance upon conversion of the Stage I Preferred Shares (such

reserved Common Stock being sometimes hereinafter collectively referred to as the "Stage I Reserved Common Shares").

(b) the issuance on the Stage II Closing Date (as defined in Section 4(b) hereof) of an aggregate of 2,631,845 shares of Series A-1 Preferred Stock (subject to adjustment to reflect stock splits, stock dividends, stock combinations, recapitalizations and like occurrences other than the Reverse Split) (such shares of Series A-1 Preferred Stock being sometimes hereinafter referred to as the "Stage II Preferred Shares"), and the reservation of an equal number of shares of Common Stock for issuance upon conversion of the Stage II Preferred Shares (such reserved Common Stock being sometimes hereinafter collectively referred to as the "Stage II Reserved Common Shares").

(c) the issuance on the Stage III Closing Date (as defined in Section 4(b) hereof) of an aggregate of 2,631,845 shares of Series A-1 Preferred Stock (subject to adjustment to reflect stock splits, stock dividends, stock combinations, recapitalizations and like occurrences other than the Reverse Split) (such shares of Series A-1 Preferred Stock being sometimes hereinafter referred to as the "Stage III Preferred Shares"), and the reservation of an equal number of shares of Common Stock for issuance upon conversion of the Stage III Preferred Shares (such reserved Common Stock being sometimes hereinafter collectively referred to as the "Stage III Reserved Common Shares" and together with the Stage I Reserved Common Shares and the Stage II Reserved Common Shares, the "Reserved Common Shares").

SECTION 3. Sale and Delivery of Series A-1 Preferred Stock.

3.1 Agreement to Sell and Purchase the Series A-1 Preferred Stock. Subject to the terms and conditions hereof, the Corporation is selling to each Investor and each Investor is severally (but not jointly and severally) purchasing from the Corporation the following:

(a) subject to the satisfaction of the conditions precedent set forth in Sections 7.1 and 7.2 hereof and subject to the terms and other conditions hereinafter set forth, at the Stage I Closing, the number of Stage I Preferred Shares set forth opposite the name of such Investor on Schedule I hereto for a purchase price of $8.142 per share (subject to adjustment to reflect stock splits, stock dividends, stock combinations, recapitalizations and like occurrences other than the Reverse Split) (the "Purchase Price"), representing an aggregate cash Purchase Price of $21,428,482 for the Stage I Preferred Shares;

(b) subject to the satisfaction of the conditions precedent set forth in Sections 7.1 and 7.4 hereof and subject to the terms and other conditions hereinafter set forth, at the Stage II Closing, the number of Stage II Preferred Shares set forth opposite the name of such Investor on Schedule I hereto for the Purchase Price per share representing an aggregate cash Purchase Price of $21,428,482 for the Stage II Preferred Shares and otherwise on the same terms as conditions as the sale and issuance of the Stage I Preferred Shares; and

(c) subject to the satisfaction of the conditions precedent set forth in Sections 7.1 and 7.5 hereof and subject to the terms and other conditions hereinafter set forth, at the Stage III Closing, the number of Stage III Preferred Shares set forth opposite the name of such Investor on Schedule I hereto for the Purchase Price per share representing an aggregate

cash Purchase Price of $21,428,482 for the Stage III Preferred Shares and otherwise on the same terms as conditions as the sale and issuance of the Stage I Preferred Shares.

3.2 Additional A-1 Shares. In addition to the foregoing, in the event that any Investor who is, as of immediately prior to the Recapitalization, a holder of Existing Preferred Stock and such Investor invests, pursuant to the terms of this Agreement, more than such holder' s full Pro Rata Share (such excess amount being referred to herein as the "Super Pro Rata Amount"), such Investor shall receive at the Stage I Closing, in consideration of such Investor' s agreement to invest such Super Pro Rata Amount, that number of additional shares of Series A-1 Preferred Stock set forth next to such Investor' s name of Schedule 1 hereto under the captions "Additional A-1 Shares" (the "Additional A-1 Shares").

3.3 Delivery of Series A-1 Preferred Stock. At each Closing (as defined in Section 4(d)), the Corporation shall deliver to each Investor a certificate or certificates, registered in the name of such Investor, representing that number of shares of Series A-1 Preferred Stock being purchased (including any Additional A-1 Shares, if applicable) by such Investor at such Closing. In each case, delivery of certificates representing Series A-1 Preferred Stock to each Investor shall be made against receipt by the Corporation of a check payable to the Corporation or a wire transfer to an account designated by the Corporation in the full amount of the purchase price for the Series A-1 Preferred Stock being purchased by such Investor at such Closing, provided, however, that no separate or additional purchase price and no check or wire transfer shall be required in connection with the delivery to any Investor of any Additional A-1 Shares.

SECTION 4. The Closings.

(a) An initial closing (the "Stage I Closing") hereunder with respect to the transactions contemplated by Sections 2(a) and 3.1(a) hereof will take place by facsimile transmission of executed copies of the documents contemplated hereby delivered on either (i) May 13, 2011 or (ii) if on such date the conditions precedent set forth in Sections 7.1 and 7.3 hereof have not been satisfied or waived, no later than the third (3d) business day after the conditions set forth in Sections 7.1 and 7.3 hereof have been satisfied or waived in writing by the Majority Investors, such Stage I Closing to be held at the offices of Bingham McCutchen LLP, One Federal Street, Boston, MA 02110 (such date sometimes being referred to herein as the "Stage I Closing Date").

(b) A second closing (the "Stage II Closing") hereunder with respect to the transactions contemplated by Sections 2(b) and 3.1(b) hereof will take place by facsimile transmission of executed copies of the documents contemplated hereby delivered on either (i) the date determined by the Corporation that is no sooner than the later of (A) fifteen (15) business days following the Stage I Closing Date and (B) fifteen (15) business days after the Corporation delivers written notice to the Investors setting forth the date scheduled for the Stage II Closing or (ii) if on such date the conditions precedent set forth in Sections 7.1 and 7.4 hereof have not been satisfied or waived, no later than the third (3d) business day after the conditions set forth in Sections 7.1 and 7.4 hereof have been satisfied or waived in writing by the Majority Investors, such Stage II Closing to be held at the offices of Bingham McCutchen LLP, One Federal Street, Boston, MA 02110, (the date thereof sometimes being referred to herein as the "Stage II Closing Date").

(c) A third closing (the "Stage III Closing") hereunder with respect to the transactions contemplated by Sections 2(c) and 3.1(c) hereof will take place by facsimile transmission of executed copies of the documents contemplated hereby delivered on either (i) the date determined by the Corporation that is no sooner than the later of (A) fifteen (15) business days following the Stage II Closing Date and (B) fifteen (15) business days after the Corporation delivers written notice to the Investors setting forth the date scheduled for the Stage III Closing or (ii) if on such date the conditions precedent set forth in Sections 7.1 and 7.5 hereof have not been satisfied or waived, no later than the third (3) business day after the conditions set forth in Sections 7.1 and 7.5 hereof have been satisfied or waived in writing by the Majority Investors, such Stage II Closing to be held at the offices of Bingham McCutchen LLP, One Federal Street, Boston, MA 02110, (the date thereof sometimes being referred to herein as the "Stage III Closing Date").

(d) For convenience of reference, each of the Stage I Closing, Stage II Closing, and Stage III Closing are sometimes hereinafter singly referred to as a "Closing" and, together, they are referred to as the "Closings".

(e) In the event that an Investor does not timely and completely fulfill his, her or its obligations to purchase shares of Series A-1 Preferred Stock as contemplated by this Agreement at each of the Stage II Closing and the Stage III Closing (collectively, the "Future Funding Obligations"), then (i) all shares of Preferred Stock then held by such Investor shall automatically, and without any further action on the part of such holder, be converted into shares of Common Stock at a rate of 1 share of Common Stock for every 10 shares of Preferred Stock to be so converted and (ii) the Corporation shall have the right to repurchase and such holders shall be required to sell all shares of Common Stock issued upon conversion (either pursuant to the foregoing clause (i) or otherwise) of all Additional A-1 Shares and all Series A-2 Preferred Stock, Series A-3 Preferred Stock and Series A-4 Preferred Stock issued to such Investor pursuant to the Automatic Reclassification for a per share purchase price equal to the applicable par value of such share and all such repurchased shares shall thereafter be cancelled by the Corporation and no longer be issued and outstanding shares of capital stock of the Corporation, all in accordance with Section 9.(b) of Part B of Article III of the Restated Certificate. The conversion and repurchase of shares to the Corporation set forth in this Section 4(e) is referred to as a "Subsequent Closing Adjustment". The Subsequent Closing Adjustment is in addition to, and not preclusive of, any other rights or remedies that the Corporation and other Investors may have under law or otherwise with respect to the failure of any Investor to fulfill its Future Funding Obligations at each Closing.

SECTION 5. Representations and Warranties of the Corporation to the Investors.

Except as set forth in the Corporation' s disclosure schedule dated as of the date hereof and delivered herewith (the "Corporation' s Disclosure Schedule"), which shall be arranged to correspond to the representations and warranties in this Section 5, or, in each case, as applicable to the relevant other Sections of this Agreement, and the disclosure in any portion of the Corporation' s Disclosure Schedule shall qualify the corresponding provision in this Section 5 and any other provision of this Agreement, including but not limited to the provisions of this Section 5, to which it is reasonably apparent on its face that such disclosure relates notwithstanding the lack of any explicit cross-reference, the Corporation hereby represents and

warrants to the Investors as follows:

5.1 Organization. The Corporation is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has all requisite corporate power and authority to own and lease its property and to carry on its Business (as defined in Section 5.6) as presently conducted and as proposed to be conducted as described in the Executive Summary (as defined in Section 5.6). The Corporation is duly qualified to do business as a foreign corporation in the states set forth on Schedule 5.1 of the Corporation' s Disclosure Schedule. The Corporation does not own or lease property or engage in any activity in any other jurisdiction which would require its qualification in such jurisdiction and in which the failure to be so qualified would have a material adverse effect on the Business, properties, assets, liabilities, condition (financial or otherwise) or prospects of the Corporation (a "Corporation Material Adverse Effect").

5.2 Capitalization.

(a) The authorized capital stock of the Corporation immediately prior to the Stage I Closing shall consist of:

(i) 34,859,964 shares of Common Stock, of which:

(1) 522,506 shall be validly issued and outstanding, fully paid and nonassessable (including 266 shares issuable upon exercise of warrants to purchase Common Stock);

(2) 29,364,436 shares shall have been duly reserved for issuance upon conversion of the Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock, Series A-4 Preferred Stock, Series A-5 Preferred Stock and Series A-6 Preferred Stock (including 147,384 shares of Series A-1 Preferred Stock issuable upon exercise of warrants to purchase Series A-1 Preferred Stock); and

(3) 2,015,666 shares shall have been duly reserved for issuance in connection with options available under the Corporation' s 2003 Long-Term Incentive Plan, as amended (the "2003 Plan Option Shares").

(ii) 29,364,436 shares of Preferred Stock of which:

(1) 63,000 shall have been designated the Series A Stock, 61,664 of which shall be issued and outstanding, fully paid and nonassessable;

(2) 1,600,000 shall have been designated the Series B Stock, 1,599,997 of which shall be issued and outstanding, fully paid and nonassessable;

(3) 10,146,629 shall have been designated the Series C Preferred Stock, all of which shall be issued and outstanding, fully paid and nonassessable;

(4) 10,000,000 shall have been designated the Series A-1 Preferred Stock, none of which shall be issued and outstanding;

(5) 9,832,133 shall have been designated the Series A-2 Preferred Stock, none of which shall be issued and outstanding;

(6) 1,422,300 shall have been designated the Series A-3 Preferred Stock, none of which shall be issued and outstanding;

(7) 40,003 shall have been designated the Series A-4 Preferred Stock, none of which shall be issued and outstanding;

(8) 70,000 shall have been designated the Series A-5 Preferred Stock, none of which shall be issued and outstanding;

(9) 8,000,000 shall have been designated the Series A-6 Preferred Stock, none of which shall be issued and outstanding.

(b) The authorized capital stock of the Corporation immediately following the Stage I Closing, assuming compliance with all of the provisions of this Agreement by each of the Investors, shall consist of:

(i) 34,859,964 shares of Common Stock, of which:

(1) 522,506 shall be validly issued and outstanding, fully paid and nonassessable (including 266 shares issuable upon exercise of warrants to purchase Common Stock);

(2) 29,364,436 shares shall have been duly reserved for issuance upon conversion of the Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock, Series A-4 Preferred Stock, Series A-5 Preferred Stock and Series A-6 Preferred Stock (including 147,384 shares of Series A-1 Preferred Stock issuable upon exercise of warrants to purchase Series A-1 Preferred Stock); and

(3) 2,015,666 shares shall have been duly reserved for issuance in connection with options available under the Corporation' s 2003 Long-Term Incentive Plan, as amended;

(ii) 29,364,436 shares of Preferred Stock of which:

(1) 63,000 shall have been designated the Series A Preferred Stock, none of which shall be issued and outstanding;

(2) 1,600,000 shall have been designated the Series B Preferred Stock, none of which shall be issued and outstanding;

(3) 10,146,629 shall have been designated the Series C Preferred Stock, none of which shall be issued and outstanding;

(4) 10,000,000 shall have been designated the Series A-1 Preferred Stock, of which 4,136,912 shall be validly issued and outstanding, fully paid and

nonassessable;

(5) 9,832,133 shall have been designated the Series A-2 Preferred Stock, all of which shall be validly issued and outstanding, fully paid and nonassessable;

(6) 1,422,300 shall have been designated the Series A-3 Preferred Stock, all of which shall be validly issued and outstanding, fully paid and nonassessable;

(7) 40,003 shall have been designated the Series A-4 Preferred Stock, all of which shall be validly issued and outstanding, fully paid and nonassessable;

(8) 70,000 shall have been designated the Series A-5 Preferred Stock, of which 66,028 shall be validly issued and outstanding, fully paid and nonassessable; and

(9) 8,000,000 shall have been designated the Series A-6 Preferred Stock, none of which shall be issued and outstanding.

(c) Except (i) pursuant to the terms of this Agreement, (ii) at any time prior to the Stage I Closing, pursuant to the terms of the Amended and Restated Stockholders' Agreement, dated as of December 15, 2006, by and among the Corporation and the stockholders named therein, as amended to date (the "Existing Stockholders' Agreement"), (iii) as of and at all times following the Stage I Closing, pursuant to the terms of that certain Amended and Restated Stockholders' Agreement to be entered into in connection with the Stage I Closing, as contemplated by Section 7.2(b), in the form attached hereto as Exhibit B (the "Stockholders' Agreement"), and (iv) as set forth

in Schedule 5.2 attached hereto, there are and, immediately following the Stage I Closing, there will be: (1) no outstanding warrants, options, rights, agreements, convertible securities or other commitments or instruments pursuant to which the Corporation is or may become obligated to issue, sell, repurchase or redeem any shares of capital stock or other securities of the Corporation (other than the 2003 Plan Option Shares); (2) no preemptive, contractual or similar rights to purchase or otherwise acquire shares of capital stock of the Corporation pursuant to any provision of law, the Restated Certificate, the by-laws of the Corporation (the "by-laws") or any agreement to which the Corporation is a party or may otherwise be bound; (3) no restrictions on the transfer of capital stock of the Corporation imposed by the Restated Certificate or by-laws of the Corporation, any agreement to which the Corporation is a party, any order of any court or any governmental agency to which the Corporation is subject, or any statute other than those imposed by relevant state and federal securities laws; (4) no cumulative voting rights for any of the Corporation' s capital stock; (5) no registration rights under the Securities Act of 1933, as amended (the "Securities Act"), with respect to shares of the Corporation' s capital stock; (6) to the Corporation' s Knowledge, no options or other rights to purchase shares of capital stock from stockholders of the Corporation granted by such stockholders; and (7) no agreements, written or oral, between the Corporation and any holder of its securities, or, to the Corporation' s Knowledge, among holders of its securities, relating to the acquisition, disposition or voting of the securities of the Corporation.

5.3 Authorization of this Agreement and the Stockholders' Agreement. The execution, delivery and performance by the Corporation of this Agreement and the Stockholders'

Agreement and the consummation of the transactions contemplated hereby and thereby, including the Recapitalization and the Merger, have been duly authorized by all requisite action on the part of the Corporation. Each of this Agreement and the Stockholders' Agreement has been duly executed and delivered by the Corporation and constitutes a valid and binding obligation of the Corporation, enforceable in accordance with its respective terms. The execution, delivery and performance of this Agreement and the Stockholders' Agreement, the filing of the Restated Certificate and the compliance with the provisions hereof and thereof by the Corporation, will not:

(a) violate any provision of law, statute, ordinance, rule or regulation or any ruling, writ, injunction, order, judgment or decree of any court, administrative agency or other governmental body;

(b) conflict with or result in any breach of any of the terms, conditions or provisions of, or constitute (with due notice or lapse of time, or both) a default (or give rise to any right of termination, cancellation or acceleration) under (i) any agreement, document, instrument, contract, understanding, arrangement, note, indenture, mortgage or lease to which the Corporation is a party or under which the Corporation or any of its assets is bound, which conflict, breach or default would have a Corporation Material Adverse Effect, (ii) the Restated Certificate, or (iii) the by-laws;

(c) result in the creation of any lien, security interest, charge or encumbrance upon any of the properties or assets of the Corporation; or

(d) conflict with any stockholder' s rights to participate in the transactions contemplated hereby, including but not limited to any rights to purchase Series A-1 Preferred Stock hereunder.

5.4 Authorization of Series A-1 Preferred Stock and Reserved Common Shares.

(a) The issuance, sale and delivery of the Series A-1 Preferred Stock pursuant to the terms hereof and the issuance sale and deliver of the Series A-2 Preferred Stock, the Series A-3 Preferred Stock and the Series A-4 Preferred Stock pursuant to the Recapitalization, have been duly authorized by all requisite action of the Corporation, and, when issued, sold and delivered in accordance with this Agreement or the Recapitalization, the shares of Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock and Series A-4 Preferred Stock will be validly issued and outstanding, fully paid and nonassessable, with no personal liability attaching to the ownership thereof, and, except as may be set forth in the Stockholders' Agreement (with respect to which the Corporation is in compliance with its obligations thereunder), not subject to preemptive or any other similar rights of the stockholders of the Corporation or others.

(b) The reservation, issuance, sale and delivery by the Corporation of the Reserved Common Shares and of all shares of Common Stock issuable upon conversion of shares of Series A-2 Preferred Stock, Series A-3 Preferred Stock and Series A-4 Preferred Stock have been duly authorized by all requisite action of the Corporation, and the Reserved Common

Shares have been duly reserved in accordance with Section 2 of this Agreement. Upon the issuance and delivery of the Reserved Common Shares in accordance with the terms of this Agreement, the Reserved Common Shares will be validly issued and outstanding, fully paid and nonassessable and not subject to preemptive or any other similar rights of the stockholders of the Corporation or others.

5.5 Consents and Approvals. No authorization, consent, approval or other order of, or declaration to or filing with, any governmental agency or body (other than filings required to be made under applicable federal and state securities laws) or any other person, entity or association is required for: (a) the valid authorization, execution, delivery and performance by the Corporation of this Agreement and the Stockholders' Agreement; (b) the valid authorization, issuance, sale and delivery of the Series A-1 Preferred Stock; (c) the valid authorization, reservation, issuance, sale and delivery of the Reserved Common Shares; or (d) the filing of the Restated Certificate. The Corporation has obtained all other consents that are necessary to permit the consummation of the transactions contemplated hereby and thereby, other than the Merger.

5.6 Business of the Corporation.

(a) Except as set forth in Schedule 5.6(a) of the Corporation' s Disclosure Schedule, the business of the Corporation (the "Business") is described in the executive summary of the Corporation, a copy of which is attached hereto as Exhibit C (the "Executive Summary").

(b) Schedule 5.6 of the Corporation' s Disclosure Schedule sets forth a list of all agreements or commitments to which the Corporation is a party or by which the Corporation or the Corporation' s assets and properties are bound that are material to the business of the Corporation as currently conducted, and, without limitation, of the foregoing, all of the types of agreements or commitments set forth below (each, a "Material Agreement"):

(i) agreements which require future expenditures by the Corporation in excess of $100,000 or which might result in payments to the Corporation in excess of $100,000;

(ii) employment and consulting agreements, employee benefit, bonus, pension, profit-sharing, stock option, stock purchase and similar plans and arrangements;

(iii) agreements involving research, development, or the license of Intellectual Property (as defined in Section 5.12) (other than research, development, or license agreements which require future expenditures by the Corporation in amounts less than $100,000 or which might result in payments to the Corporation in amounts less than $100,000 in each case that do not grant to a third party or to the Corporation any rights in connection with the commercialization of any products), the granting of any right of first refusal, or right of first offer or comparable right with respect to any Intellectual Property or payment or receipt by the Corporation of milestone payments or royalties;

(iv) agreements relating to a joint venture, partnership, collaboration or other arrangement involving a sharing of profits, losses, costs or liabilities with

another person or entity;

(v) distributor, sales representative or similar agreements;

(vi) agreements with any current or former stockholder, officer or director of the Corporation or any "affiliate" or "associate" of such persons (as such terms are defined in the rules and regulations promulgated under the Securities Act), including without limitation agreements or other arrangements providing for the furnishing of services by, rental of real or personal property from, or otherwise requiring payments to, any such person or entity;

(vii) agreements under which the Corporation is restricted from carrying on any business, or competing in any line of business, anywhere in the world;

(viii) indentures, trust agreements, loan agreements or notes that involve or evidence outstanding indebtedness, obligations or liabilities for borrowed money;

(ix) agreements for the disposition of a material portion of the Corporation' s assets (other than for the sale of inventory in the ordinary course of business);

(x) agreements of surety, guarantee or indemnification;

(xi) interest rate, equity or other swap or derivative instruments;

(xii) agreements obligating Corporation to register securities under the Securities Act; and

(xiii) agreements for the acquisition of any of the assets, properties, securities or other ownership interests of the Corporation or another person or the grant to any person of any options, rights of first refusal, or preferential or similar rights to purchase any of such assets, properties, securities or other ownership interests.

(c) The Corporation has no present expectation or intention of not fully performing all of its obligations under each Material Agreement and, to the Corporation' s Knowledge, there is no breach or anticipated breach by any other party or parties to any Material Agreements.

(d) All of the Material Agreements are valid, in full force and effect and binding against the Corporation and to the Corporation' s Knowledge, binding against the other parties thereto in accordance with their respective terms. Neither the Corporation, nor, to the Corporation' s Knowledge, any other party thereto, is in default of any of its obligations under any of the agreements or contracts listed on the Schedule 5.6 of the Corporation' s Disclosure Schedule, nor, to the Corporation' s Knowledge, does any condition exist that with notice or lapse of time or both would constitute a default thereunder. The Corporation has delivered to each Investor or its representative true and complete copies of all of the foregoing Material Agreements or an accurate summary of any oral Material Agreements (and all written amendments or other modifications thereto).

(e) Except as provided in Schedule 5.6(e) of the Corporation' s

Disclosure Schedule: (i) there are no actions, suits, arbitrations, claims, investigations or legal or administrative proceedings pending or, to the Corporation' s Knowledge, threatened, against the Corporation, whether at law or in equity; (ii) there are no judgments, decrees, injunctions or orders of any court, government department, commission, agency, instrumentality or arbitrator entered or existing against the Corporation or any of its assets or properties for any of the foregoing or otherwise; and (iii) the Corporation has not admitted in writing its inability to pay its debts generally as they become due, filed or consented to the filing against it of a petition in bankruptcy or a petition to take advantage of any insolvency act, made an assignment for the benefit of creditors, consented to the appointment of a receiver for itself or for the whole or any substantial part of its property, or had a petition in bankruptcy filed against it, been adjudicated a bankrupt, or filed a petition or answer seeking reorganization or arrangement under the federal bankruptcy laws or any other laws of the United States or any other jurisdiction.

(f) Except as set forth in Schedule 5.6(f) of the Corporation' s Disclosure Schedule, the Corporation is in compliance with all obligations, agreements and conditions contained in any evidence of indebtedness or any loan agreement or other contract or agreement (whether or not relating to indebtedness) to which the Corporation is a party or is subject (collectively, the "Obligations"), the lack of compliance with which could afford to any person the right to accelerate any indebtedness or terminate any right of or agreement with the Corporation. To the Corporation' s Knowledge all other parties to such Obligations are in compliance with the terms and conditions of such Obligations.

(g) Except for employment and consulting agreements set forth on Schedule 5.6 attached hereto and for agreements and arrangements relating to the 2003 Plan Option Shares and except as provided in Schedule 5.6(g) of the Corporation' s Disclosure Schedule, this Agreement and the Stockholders' Agreement, there are no agreements, understandings or proposed transactions between the Corporation and any of its officers, directors or other "affiliates" (as defined in Rule 405 promulgated under the Securities Act).

(h) To the Corporation' s Knowledge, no employee of or consultant to the Corporation is in violation of any term of any employment contract, patent disclosure agreement or any other contract or agreement, including, but not limited to, those matters relating (i) to the relationship of any such employee with the Corporation or to any other party as a result of the nature of the Corporation' s Business as currently conducted, or (ii) to unfair competition, trade secrets or proprietary or confidential information.

(i) Each employee and director of or consultant to the Corporation, and each other person who has been issued shares of the Corporation' s Common Stock or options to purchase shares of the Corporation' s Common Stock is a signatory to, and is bound by, the Stockholders' Agreement and, in the case of Common Stock issued to employees, directors and consultants, a stock restriction agreement, all with stock transfer restrictions and rights of first offer in favor of the Corporation in a form previously approved by the Board of Directors of the Corporation (the "Board of Directors"). In addition, each such stock restriction agreement contains a vesting schedule previously approved by the Board of Directors.

(j) The Corporation does not have any collective bargaining agreements covering any of its employees or any employee benefit plans.

(k) The Corporation has at all times complied with all provisions of its by-laws and Restated Certificate, and is not in violation of or default under any provision thereof, any contract, instrument, judgment, order, writ or decree to which it is a party or by which it or any of its properties are bound, and the Corporation is not in violation of any material provision of any federal or state statute, rule or regulation applicable to the Corporation.

5.7 Disclosure. None of this Agreement, the Stockholders' Agreement or the Executive Summary, nor any document, certificate or instrument furnished to any of the Investors or their counsel in connection with the transactions contemplated by this Agreement, contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were made, not misleading. To the Corporation' s Knowledge, there is no fact which the Corporation has not disclosed to the Investors or their counsel which would reasonably be expected to result in a Corporation Material Adverse Effect.

5.8 Financial Statements. The Corporation has furnished to each of the Investors a complete and accurate copy of (i) the unaudited balance sheet of the Corporation at December 31, 2010 and the related unaudited statements of operations and cash flows for the fiscal year then ended, and (ii) the unaudited balance sheet of the Corporation (the "Balance Sheet") at February 28, 2011 (the "Balance Sheet Date") and the related unaudited statements of operations and cash flows for the two month period then ended (collectively, the "Financial Statements"). The Financial Statements are in accordance with the books and records of the Corporation, present fairly the financial condition and results of operations of the Corporation at the dates and for the periods indicated, and have been prepared in accordance with generally accepted accounting principles ("GAAP") consistently applied, except, in the case of any unaudited Financial Statements, for the absence of footnotes normally contained therein and subject to normal and recurring year-end audit adjustments that are substantially consistent with prior year-end audit adjustments.

5.9 Absence of Undisclosed Liabilities. The Corporation has no liabilities of any nature (whether known or unknown and whether absolute or contingent), except for (a) liabilities shown on the Balance Sheet and (b) contractual and other liabilities incurred in the ordinary course of business which are not required by GAAP to be reflected on a balance sheet and which would not, either individually or in the aggregate, have or result in a Corporation Material Adverse Effect. The Corporation does not have any liabilities (and there is no basis for any present or, to the Corporation' s Knowledge, future proceeding against the Corporation giving rise to any liability) arising out of any personal injury and/or death or damage to property relating to or arising in connection with any clinical trials conducted by or on behalf of the Corporation.

5.10 Absence of Changes. Since the Balance Sheet Date and except as contemplated by this Agreement, there has been (i) no event or fact that individually or in the aggregate has had a Corporation Material Adverse Effect, (ii) no declaration, setting aside or payment of any dividend or other distribution with respect to, or any direct or indirect redemption or acquisition of, any of the capital stock of the Corporation, (iii) no waiver of any valuable right of the Corporation or cancellation of any debt or claim held by the Corporation, (iv) no loan by the Corporation to any officer, director, employee or stockholder of the

Corporation, or any agreement or commitment therefor, (v) no increase, direct or indirect, in the compensation paid or payable to any officer, director, employee or agent Corporation and no change in the executive management of the Corporation or the terms of their employment, (vi) no material loss, destruction or damage to any property of the Corporation, whether or not insured, (vii) no labor disputes involving the Corporation, or (viii) no acquisition or disposition of any assets (or any contract or arrangement therefor), nor any transaction by the Corporation otherwise than for fair value in the ordinary course of business.

5.11 Payment of Taxes. The Corporation has prepared and filed within the time prescribed by, and in material compliance with, applicable law and regulations, all federal, state and local income, excise or franchise tax returns, real estate and personal property tax returns, sales and use tax returns, payroll tax returns and other tax returns required to be filed by it, and has paid or made provision for the payment of all accrued and paid taxes and other charges to which the Corporation is subject and which are not currently due and payable. The federal income tax returns of the Corporation have never been audited by the Internal Revenue Service. Neither the Internal Revenue Service nor any other taxing authority is now asserting nor is threatening to assert against the Corporation any deficiency or claim for additional taxes or interest thereon or penalties in connection therewith, and the Corporation does not know of any such deficiency or basis for such deficiency or claim.

5.12 Intellectual Property.

(a) Schedule 5.12(a) lists each patent, patent application, copyright registration or application therefor, mask work registration or application therefor, and trademark, trademark application, trade name, service mark and domain name registration or application therefor owned by the Corporation, licensed by the Corporation or otherwise used by the Corporation (collectively, the "Listed Rights"). For each of the Listed Rights set forth on Schedule 5.12(a), an assignment to the Corporation of all right, title and interest in the Listed Right (or license to practice the Listed Right if owned by others) has been executed. All employees of and consultants to the Corporation have executed an agreement providing for the assignment to the Corporation of all right, title and interest in any and all inventions, creations, works and ideas made or conceived or reduced to practice wholly or in part during the period of their employment or consultancy with the Corporation, including all Listed Rights, to the extent described in any such agreement and providing for customary provisions relating to confidentiality and non-competition.

(b) Except as set forth on Schedule 5.12(b), the Listed Rights comprise all of the patents, patent applications, registered trademarks and service marks, trademark applications, trade names, registered copyrights and all licenses that have been obtained by the Corporation, and which, to the Corporation' s Knowledge, are necessary for the conduct of the Business of the Corporation as now being conducted and as proposed to be conducted in the Executive Summary. Except as set forth on Schedule 5.12(b), the Corporation owns all of the Listed Rights and Intellectual Property, as hereinafter defined, free and clear of any valid and enforceable rights, claims, liens, preferences of any party against such Intellectual Property. To the Corporation' s Knowledge, except as set forth in Schedule 5.12(b), the

Listed Rights and Intellectual Property are valid and enforceable rights and the practice of such rights does not infringe or conflict with the rights of any third party.

(c) To the Corporation' s Knowledge, the Corporation owns or has the right to use all Intellectual Property necessary (i) to use, manufacture, market and distribute the Customer Deliverables (as defined below) and (ii) to operate the Internal Systems (as defined below). The Corporation has taken all reasonable measures to protect the proprietary nature of each item of Corporation Intellectual Property (as defined below), and to maintain in confidence all trade secrets and confidential information that it owns or uses. To the Corporation' s Knowledge no other person or entity has any valid and enforceable rights to any of the Corporation Intellectual Property owned by the Corporation (except as set forth in Schedule 5.12(c)), and no other person or entity is infringing, violating or misappropriating any of the Corporation Intellectual Property.

(d) To the Corporation' s Knowledge, none of the Customer Deliverables, or the manufacture, marketing, sale, distribution, importation, provision or use thereof, infringes or violates, or constitutes a misappropriation of, any valid and enforceable Intellectual Property rights of any person or entity; and, to the Corporation' s Knowledge neither the marketing, distribution, provision or use of any Customer Deliverables currently under development by the Corporation will, when such Customer Deliverables are commercially released by the Corporation, infringe or violate, or constitute a misappropriation of, any valid and enforceable Intellectual Property rights of any person or entity that exist today. To the Corporation' s Knowledge, none of the Internal Systems, or the use thereof, infringes or violates, or constitutes a misappropriation of, any valid and enforceable Intellectual Property rights of any person or entity.

(e) There is neither pending nor overtly threatened, or, to the Corporation' s Knowledge, any basis for, any claim or litigation against the Corporation contesting the validity or right to use any of the Listed Rights or Intellectual Property, and the Corporation has not received any notice of infringement upon or conflict with any asserted right of others nor, to the Corporation' s Knowledge, is there a basis for such a notice. To the Corporation' s Knowledge, no person, corporation or other entity is infringing the Corporation' s rights to the Listed Rights or Intellectual Property. Schedule 5.12(e) lists any complaint, claim or notice, or written threat thereof, received by the Corporation alleging any such infringement, violation or misappropriation, and the Corporation has provided to the Investors complete and accurate copies of all written documentation in the possession of the Corporation relating to any such complaint, claim, notice or threat. The Corporation has provided to the Investors complete and accurate copies of all written documentation in the Corporation' s possession relating to claims or disputes known to each of the Corporation concerning any Corporation Intellectual Property.

(f) Except as otherwise provided in Schedule 5.12(f), the Corporation, to the Corporation' s Knowledge has no obligation to compensate others for the use of any Listed Right or any Intellectual Property, nor has the Corporation granted any license or other right to use, in any manner, any of the Listed Rights or Intellectual Property, whether or not requiring the payment of royalties. Schedule 5.12(f) identities each license or other agreement pursuant to which the Corporation has licensed, distributed or otherwise granted any rights to any third party with respect to any Corporation Intellectual Property. Except as described in Schedule 5.12(f), the Corporation has not agreed to indemnify any person or entity against any infringement, violation or misappropriation of any Intellectual Property rights with respect to any Corporation

Intellectual Property.

(g) Schedule 5.12(g) identifies each item of Corporation Intellectual Property that is owned by a party other than the Corporation, and the license or agreement pursuant to which the Corporation uses it (excluding off-the-shelf software programs licensed by the Corporation pursuant to "shrink wrap" licenses).

(h) The Corporation has not disclosed the source code for any software developed by it, or other confidential information constituting, embodied in or pertaining to such software, to any person or entity, except pursuant to the agreements listed in Schedule 5.12(h), and the Corporation has taken reasonable measures to prevent disclosure of any such source code.

(i) All of the copyrightable materials incorporated in or bundled with the Customer Deliverables have been created by employees of the Corporation within the scope of their employment by the Corporation or by independent contractors of the Corporation who have executed agreements expressly assigning all right, title and interest in such copyrightable materials to the Corporation. Except as listed in Schedule 5.12(i), no portion of such copyrightable materials was jointly developed with any third party.

(j) To the Corporation' s Knowledge, the Customer Deliverables and the Internal Systems are free from significant defects or programming errors and conform in all material respects to the written documentation and specifications therefor.

(k) For purposes of this Agreement, the following terms shall have the following meanings:

(i) "Customer Deliverables" shall mean (a) the products that the Corporation (i) currently manufactures, markets, sells or licenses or (ii) currently plans to manufacture, market, sell or license in the future and (b) the services that the Corporation (i) currently provides or (ii) currently plans to provide in the future.

(ii) "Internal Systems" shall mean the internal systems of each of the Corporation that are presently used in its Business or operations, including, computer hardware systems, software applications and embedded systems.

(iii) "Intellectual Property" shall mean all: (A) patents, patent applications, patent disclosures and all related continuation, continuation-in-part, divisional, reissue, reexamination, utility model, certificate of invention and design patents, design patent applications, registrations and applications for registrations, including Listed Rights; (B) trademarks, service marks, trade dress, internet domain names, logos, trade names and corporate names and registrations and applications for registration thereof; (C) copyrights and registrations and applications for registration thereof; (D) mask works and registrations and applications for registration thereof; (E) computer software, data and documentation; (F) inventions, trade secrets and confidential business information, whether patentable or nonpatentable and whether or not reduced to practice, know-how, manufacturing and product processes and techniques, research and development information, copyrightable works, financial, marketing and business data, pricing and cost information, business and marketing plans and customer and supplier lists and

information; (G) other proprietary rights relating to any of the foregoing (including remedies against infringements thereof and rights of protection of interest therein under the laws of all jurisdictions); and (H) copies and tangible embodiments thereof.

(iv) "Corporation Intellectual Property" shall mean the Intellectual Property owned by or licensed to the Corporation and incorporated in, underlying or used in connection with the Customer Deliverables or the Internal Systems.

(v) "Corporation' s Knowledge" shall mean (a) with respect to matters relating directly to the Corporation and its operations, the knowledge of Richard Lyttle, Nicholas Harvey, Louis O' Dea and Gary Hattersley (the "Officers") as well as other knowledge which such Officers would have possessed had they made diligent inquiry of appropriate employees and agents of the Corporation with respect to the matter in question; provided, that such Officers shall not be obligated to inquire further with respect to any list herein or in any schedule hereto, and (b) with respect to external events or conditions, the actual knowledge of the Officers.

5.13 Securities Laws. Neither the Corporation nor anyone acting on its behalf has offered securities of the Corporation for sale to, or solicited any offers to buy the same from, or sold securities of the Corporation to, any person or organization, in any case so as to subject the Corporation, its promoters, directors and/or officers to any Liability under the Securities Act, the Securities and Exchange Act of 1934, as amended, or any state securities or "blue sky" law (collectively, the "Securities Laws"). The offer, grant, sale and/or issuance of the

following were not, are not, or, as the case may be, will not be, in violation of the Securities Laws when offered, sold and issued in accordance with this Agreement and the 2003 Long-Term Incentive Plan, as amended:

(a) the Series A-1 Preferred Stock, as contemplated by this Agreement and the Exhibits and Schedules hereto, and in partial reliance upon the representations and warranties of the Investors set forth in Section 6 hereof;

(b) the Series A-2 Preferred Stock, the Series A-3 Preferred Stock and the Series A-4 Preferred Stock in the Recapitalization;

(c) the Common Stock issuable upon the conversion of Existing Preferred Stock in the Forced Conversion and the conversion of the Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock or Series A-4 Preferred Stock and in partial reliance upon the representations and warranties of the Investors set forth in Section 6 hereof; and

(d) the 2003 Plan Option Shares and stock options covering such shares.

5.14 Title to Properties.

(a) The Corporation has valid title to, or in the case of leased properties and assets, valid leasehold interests in, all of its properties and assets, necessary to conduct the Business in the manner in which it is currently conducted (in each case, free and

clear of all liens, security interests, charges and other encumbrances of any kind, except liens for taxes not yet due and payable), including without limitation, all rights under any investigational drug application of the Corporation filed in the United States and in foreign countries, all rights pursuant to the authority of the FDA and any foreign counterparts to conduct clinical trials with respect to any investigational drug application filed with such agency relating to biologics or drugs relating to the Business and all rights, if any, to apply for approval to commercially market and sell biologics or drugs and none of such properties or assets is subject to any lien, security interest, charge or other encumbrance of any kind, other than those the material terms of which are described in Schedule 5.14(a).

(b) The Corporation does not own any real property or any buildings or other structures, nor have options or any contractual obligations to purchase or acquire any interest in real property. Schedule 5.14(b) lists all real property leases to which the Corporation is a party and each amendment thereto. All such current leases are in full force and effect, are valid and effective in accordance with their respective terms, and there is not, under any of such leases, any existing default or event of default (or event that with notice or lapse of time, or both, would constitute a default). The Corporation, in its capacity as lessee, is not in violation of any zoning, building or safety ordinance, regulation or requirement or other law or regulation applicable to the operation of its leased properties, nor has it received any notice of violation with which it has not complied.

(c) The equipment, furniture, leasehold improvements, fixtures, vehicles, any related capitalized items and other tangible property material to the Business are in good operating condition and repair, ordinary wear and tear excepted.

5.15 Investments in Other Persons. Except as indicated in Schedule 5.15 attached hereto, (a) the Corporation has not made any loan or advance to any person or entity which is outstanding on the date hereof nor is it committed or obligated to make any such loan or advance, and (b) the Corporation has never owned or controlled and does not currently own or control, directly or indirectly, any subsidiaries and has never owned or controlled and does not currently own or control any capital stock or other ownership interest, directly or indirectly, in any corporation, association, partnership, trust, joint venture or other entity.

5.16 ERISA. Except as set forth in Schedule 5.16, neither the Corporation nor any entity required to be aggregated with the Corporation under Sections 414(b), (c), (m) or (n) of the Code (as hereinafter defined), sponsors, maintains, has any obligation to contribute to, has any liability under, or is otherwise a party to, any Benefit Plan. For purposes of this Agreement, "Benefit Plan" shall mean any plan, fund, program, policy, arrangement or contract, whether formal or informal, which is in the nature of (i) any qualified or non-

qualified employee pension benefit plan (as defined in Section 3(2) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")) or (ii) an employee welfare benefit plan (as defined in section 3(1) of ERISA). With respect to each Benefit Plan listed in Schedule 5.16, to the extent applicable:

(a) Each such Benefit Plan has been maintained and operated in all material respects in compliance with its terms and with all applicable provisions of ERISA, the Internal Revenue Code of 1986, as amended (the "Code"), and all statutes, orders, rules,

regulations, and other authority which are applicable to such Benefit Plan;

(b) All contributions required by law to have been made under each such Benefit Plan (without regard to any waivers granted under Section 412 of the Code) to any fund or trust established thereunder in connection therewith have been made by the due date thereof:

(c) Each such Benefit Plan intended to qualify under Section 401(a) of the Code is the subject of a favorable unrevoked determination letter issued by the Internal Revenue Service as to its qualified status under the Code, which determination letter may still be relied upon as to such tax qualified status, and no circumstances have occurred that would adversely affect the tax qualified status of any such Benefit Plan;

(d) The actuarial present value of all accrued benefits under each such Benefit Plan subject to Title IV of ERISA did not, as of the latest valuation date of such Benefit Plan, exceed the then current value of the assets of such Benefit Plan allocable to such accrued benefits, all as based upon the actuarial assumptions and methods currently used for such Benefit Plan;

(e) None of such Benefit Plans that are "employee welfare benefit plans" as defined in Section 3(1) of ERISA provides for continuing benefits or coverage for any participant or beneficiary of any participant after such participant' s termination of employment, except as required by applicable law; and

(f) Neither the Corporation nor any trade or business (whether or not incorporated) under common control with the Corporation within the meaning of Section 4001 of ERISA has, or at any time has had, any obligation to contribute to any "multiemployer plan" as defined in Section 3(37) of ERISA.

5.17 Use of Proceeds. The net proceeds received by the Corporation from the sale of the Series A-1 Preferred Stock shall be used by the Corporation generally for the purposes set forth in Schedule 5.17 attached hereto.

5.18 Permits and Other Rights; Compliance with Laws. The Corporation has all permits, licenses, registrations, certificates, accreditations, orders, authorizations or approvals from any Governmental Entity ("Permits") issued to or held by the Corporation. Other than the Permits listed on Schedule 5.18, there are no Permits, the loss or revocation of which would result in a Corporation Material Adverse Effect. The Corporation has all Permits necessary to permit it to own its properties and to conduct its Business as presently conducted and as proposed to be conducted. Each such Permit is in full force and effect and, to the Corporation' s Knowledge, no suspension or cancellation of such Permit is threatened and there is no basis for believing that such Permit will not be renewable upon expiration. The Corporation is in compliance in all material respects under each such Permit, and the transactions contemplated by this Agreement will not cause a violation under any of such Permits. The Corporation is in compliance in all material respects with all provisions of the laws and governmental rules and regulations applicable to its Business, properties and assets, and to the products and services sold by it, including, without limitation, all such rules, laws and regulations relating to fair

employment practices and public or employee safety. The Corporation is in compliance with the Clinical Laboratories Improvement Act of 1967, as amended.

5.19 Insurance. Schedule 5.19 sets forth a true and complete list of all policies or binders of fire, theft, liability, product liability, workmen' s compensation, vehicular, directors' and officers' and other insurance held by or on behalf of the Corporation. Such policies and binders are in full force and effect, are in the amounts not less than is customarily obtained by corporations of established reputation engaged in the same or similar business and similarly situated and are in conformity with the requirements of all leases or other agreements to which the Corporation is a party and are valid and enforceable in accordance with their terms. The Corporation' s product liability insurance covers its clinical trials. The Corporation is not in default with respect to any provision contained in such policy or binder nor has the Corporation failed to give any notice or present any claim under any such policy or binder in due and timely fashion. There are no outstanding unpaid claims under any such policy or binder. The Corporation has not received notice of cancellation or non-renewal of any such policy or binder.

5.20 Board of Directors. Except as provided in Schedule 5.20 attached hereto, the Corporation has not extended any offer or promise or entered into any agreement, arrangement, understanding or otherwise, whether written or oral, with any person or entity by which the Corporation has agreed to allow such person or entity to participate, in any way, in the affairs of the Board of Directors, including without limitation, appointment or nomination as a member, or right to appear at, or receive the minutes of a meeting of the Board of Directors.

5.21 Books and Records. The minute books of the Corporation contain complete and accurate records of all meetings and other corporate actions of the stockholders and Boards of Directors and committees thereof. The stock ledger of the Corporation is complete and accurate and reflects all issuances, transfers, repurchases and cancellations of shares of capital stock of the Corporation.

5.22 Environmental Matters.

(a) The Corporation has not used, generated, manufactured, refined, treated, transported, stored, handled, disposed, transferred, produced, processed or released (together defined as "Release") any Hazardous Materials (as hereinafter defined) in any manner or by any means in violation of any Environmental Laws (as hereinafter defined). To the Corporation' s Knowledge, neither the Corporation nor any prior owner or tenant of the Property (as hereinafter defined) has Released any Hazardous Material or other pollutant or effluent into, on or from the Property in a way which can pose a risk to human health or the environment, nor is there a threat of such Release. As used herein, the term "Property" shall include, without limitation, land, buildings and laboratory facilities owned or leased by the Corporation or as to which the Corporation now has any duties, responsibilities (for clean-up, remedy or otherwise) or liabilities under any Environmental Laws, or as to which the Corporation or any subsidiary of the Corporation may have such duties, responsibilities or liabilities because of past acts or omissions of the Corporation or any such subsidiary or their predecessors, or because the Corporation or any such subsidiary or their predecessors in the past was such an owner or operator of, or some other relationship with, such land, buildings and/or laboratory facilities, all as more fully described in Schedule 5.22(a) of the Corporation' s Disclosure Schedule. The term

"Hazardous Materials" shall mean (A) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," "hazardous air pollutants," "contaminants," "toxic chemicals," "toxins," "hazardous chemicals," "extremely hazardous substances," "pesticides," "oil" or related materials as defined in any applicable Environmental Law, or (B) any petroleum or petroleum products, oil, natural or synthetic gas, radioactive materials, asbestos-containing materials, urea formaldehyde foam insulation, radon, and any other substance defined or designated as hazardous, toxic or harmful to human health, safety or the environment under any Environmental Law.

(b) No notice of lien under any Environmental Laws has been filed against any Property of the Corporation.

(c) The use of the Property complies with lawful, permitted and conforming uses in all material respects under all applicable building, tire, safety, subdivision, zoning, sewer, environmental, health, insurance and other such laws, ordinances, rules, regulations and plan approval conditions of any governmental or public body or authority relating to the use of the Property.

(d) Except as described in Schedule 5.22(d) of the Corporation' s Disclosure Schedule, to the Corporation' s Knowledge, the Property does not contain: (i) asbestos in any form; (ii) urea formaldehyde foam insulation; (iii) transformers or other equipment which contain dialectic fluid containing levels of polychlorinated biphenyls; (iv) radon; or (v) any other chemical, material or substance, the exposure to which is prohibited, limited or regulated by a federal, state or local government agency, authority or body, or which, even if not so regulated, to the Corporation' s Knowledge after reasonable investigation, may or could pose a hazard to the health and safety of the occupants of the Property or the owners or occupants of property adjacent to or in the vicinity of the Property.

(e) The Corporation has not received written notice that the Corporation is a potentially responsible party for costs incurred at a cleanup site or corrective action under any Environmental Laws. The Corporation has not received any written requests for information in connection with any inquiry by any Governmental Authority (as defined hereinafter) concerning disposal sites or other environmental matters. As used herein, "Governmental Authority" shall mean any nation or government, any federal, state, municipal, local, provincial, regional or other political subdivision thereof and any entity or person exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government, Schedule 5.22(e) of the Corporation' s Disclosure Schedule identifies all locations where Hazardous Materials used in whole or in part by the Business of the Corporation or resulting from the Business, facilities or Property of the Corporation have been stored or disposed of by or on behalf of the Corporation. As used herein, "Environmental Laws" shall mean all applicable federal, state and local laws, ordinances, rules and regulations that regulate, fix liability for, or otherwise relate to, the handling, use (including use in industrial processes, in construction, as building materials, or otherwise), storage and disposal of hazardous and toxic wastes and substances, and to the discharge, leakage, presence, migration, threatened Release or Release (whether by disposal, a discharge into any water source or system or into the air, or otherwise) of any pollutant or effluent. Without limiting the preceding sentence, the term

"Environmental Laws" shall specifically include the following federal and state laws, as amended:

FEDERAL

Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. § 9601 et seq.; the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11001 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq.; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq.; the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. § 136 et seq.; the Toxic Substance Control Act, 15 U.S.C. § 2601 et seq.; the Oil Pollution Act of 1990, 33 U.S.C. § 1001 et seq.; the Hazardous Materials Transportation Act, as amended, 49 U.S.C. § 1801 et seq.; the Atomic Energy Act, as amended 42 U.S.C. § 2011 et seq.; the Occupational Safety and Health Act, as amended, 29 U.S.C. § 651 et seq.; the Federal Food, Drug and Cosmetic Act, as amended 21 U.S.C. § 301 et seq. (insofar as it regulates employee exposure to Hazardous Substances); the Clean Air Act, 42 U.S.C. 7401 et. seq.

STATE

MASSACHUSETTS ENVIRONMENTAL STATUTES

Massachusetts Clean Waters Act, Mass. Gen. L. Ch. 21, Section 26, et. seq., and regulations thereto; Massachusetts Solid Waste Disposal Laws. Mass. Gen. L. Ch. 16, Section 18, et. seq., and Ch. 111, Section 1 05A, and regulations thereto; Massachusetts Oil and Hazardous Materials Release Prevention and Response Act, Mass. Gen. L., Ch. 21 E, Section 1, et. seq., and regulations thereto; Massachusetts Solid Waste Facilities Law, Mass. Gen. L., Ch. 21H, Section 1, et. seq., and regulations thereto; Massachusetts Toxic Use Reduction Act, Mass. Gen. L., Ch. 211,

Section 1, et. seq., and regulations thereto; Massachusetts Litter Control Laws, Mass. Gen. L. Ch. 111. Section 1 50A, et. seq., and regulations thereto; Massachusetts Wetlands Protection Laws, Mass. Gen. L., Ch. 130, Section 105, et. seq., and regulations thereto; Massachusetts Environmental Air Pollution Control Law, Mass. Gen. L.. Ch. 101, Section 2B, et. seq., and regulations thereto; Massachusetts Environmental Policy Act, Mass. Gen. L. Ch. 30, Section 61, et. seq., and regulations thereto; and Massachusetts Hazardous Waste Laws, Mass. Gen. L. Ch. 21C, Section 1, et. seq., and regulations thereto.

(f) The Corporation has maintained all environmental and operating documents and records substantially in the manner and for the time periods required by the Environmental Laws and any other laws, regulations or orders and has never conducted an environmental audit except as disclosed in Schedule 5.22(f) of the Corporation' s Disclosure

Schedule. For purposes of this Section 5.22(f), an environmental audit shall mean any evaluation, assessment, study or test performed at the request of or on behalf of a Governmental Authority, including, but not limited to, a public liaison committee, but does not include normal or routine inspections, evaluations or assessments which do not relate to a threatened or pending charge, restraining order or revocation of any permit, license, certificate, approval, authorization, registration or the like issued pursuant to the Environmental Laws and any other law, regulation or order.

(g) To the Corporation' s Knowledge, no part of the Property of the Corporation is (i) located within any wetlands area, (ii) subject to any wetlands regulations, or (iii) included in or is proposed for inclusion in, or abuts any property included in or proposed for inclusion in, the National Priority List or any similar state lists.

5.23 FDA Matters.

(a) The Corporation has (i) complied in all material respects with all applicable laws, regulations and specifications with respect to the manufacture, design, sale, storing, labeling, testing, distribution, inspection, promotion and marketing of all of the Corporation' s products and product candidates and the operation of manufacturing facilities promulgated by the U.S. Food and Drug Administration (the "FDA") or any corollary entity in any other jurisdiction and (ii) conducted, and in the case of any clinical trials conducted on its behalf, caused to be conducted, all of its clinical trials with reasonable care and in compliance in all material respects with all applicable laws and the stated protocols for such clinical trials.

(b) All of the Corporation' s submissions to the FDA and any corollary entity in any other jurisdiction, whether oral, written or electronically delivered, were true, accurate and complete in all material respects as of the date made, and remain true, accurate and complete in all material respects and do not misstate any of the statements or information included therein, or omit to state a fact necessary to make the statements therein not materially misleading.

(c) The Corporation has not committed any act, made any statement or failed to make any statement that would breach the FDA' s policy with respect to "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities" set forth in 56 Fed. Reg. 46191 (September 10, 1991) or any similar laws, rules or regulations, whether under the jurisdiction of the FDA or a corollary entity in any other jurisdiction, and any amendments or other modifications thereto. Neither the Corporation nor, to the Corporation' s Knowledge, any officer, employee or agent of the Corporation has been convicted of any crime or engaged in any conduct that would reasonably be expected to result in (i) debarment under 21 U.S.C. Section 335a or any similar state or foreign law or regulation or (ii) exclusion under 42 U.S.C. Section 1320a 7 or any similar state or foreign law or regulation, and neither the Corporation nor, to the Corporation' s Knowledge, any such person has been so debarred or excluded.

(d) The Corporation has not sold or marketed any products prior to receiving any required or necessary approvals or consents from any federal or state governmental authority, including but not limited to the FDA under the Food, Drug & Cosmetics Act of 1976, as amended, and the regulations promulgated thereunder, or any corollary entity in any

jurisdiction. The Corporation has not received any notice of, nor is the Corporation aware of any, actions, citations, warning letters or Section 305 notices from the FDA or any corollary entity.

5.24 Compliance with Privacy Laws

(a) For purposes of this Agreement:

(i) "Foreign Privacy Laws" shall mean (a) the Directive 95/46/EC of the Parliament and of the Council of the European Union of 24 October 1995 on the protection of individuals with regard to the collection, use, disclosure, and processing of personal data and on the free movement of such data, (b) the corresponding national rules, regulations, codes, orders, decrees and rulings thereunder of the member states of the European Union and (c) any rules, regulations, codes, orders, decree, and rulings thereunder related to privacy, data protection or data transfer issues implemented in other countries.

(ii) "US Privacy Laws" shall mean any rules, regulations, codes, orders, decrees, and rulings thereunder of any federal, state, regional, county, city, municipal or local government of the United States or any department, agency, bureau or other administrative or regulatory body obtaining authority from any of the foregoing that relate to privacy, data protection or data transfer issues, including all implementing laws, ordinances or regulations, including, without limitation, the Health Insurance Portability and Accountability Act of 1996, as amended; the Children' s Online Privacy Protection Act (COPPA) of 1998, as amended; the Financial Modernization Act (Graham-Leach-Bliley Act) of 2000, as amended; the Fair Credit Reporting Act of 1970, as amended; the Privacy Act of 1974, as amended; the Family Education Rights and Privacy Act of 1974, as amended; the Right to Financial Privacy Act of 1978, as amended; the Privacy Protection Act of 1980, as amended; the Cable Communications Policy Act of 1984, as amended; the Electronic Communications Privacy Act of 1986, as amended; the Video Privacy Protection Act of 1988, as amended; the Telephone Consumer Protection Act of 1991, as amended; the Driver' s Privacy Protection Act of 1994, as amended; the Communications Assistance for Law Enforcement Act of 1994, as amended; the Telecommunications Act of 1996, as amended; and any implementing regulations related thereto;

(b) The Corporation is currently and has been at all times in compliance in all material respects with all Foreign Privacy Laws and US Privacy Laws; and the Corporation has not received notice (in writing or otherwise) regarding violation of such Foreign Privacy Laws or US Privacy Laws.

(c) No action, suit, proceeding, investigation, charge, complaint, claim, demand, or notice has been filed or commenced against the Corporation, nor to the Corporation' s Knowledge threatened against the Corporation, relating to Foreign Privacy Laws and US Privacy Laws; nor has the Corporation incurred any material liabilities (whether accrued, absolute, contingent or otherwise) under any Foreign Privacy Laws or US Privacy Laws.

(d) Health Insurance Portability and Accountability Act of 1996. The Corporation (i) has assessed the applicability of the Health Insurance Portability and

Accountability Act of 1996 and its implementing regulations (collectively, "HIPAA") to the Corporation, including the fully insured and self-insured health plans that the Corporation sponsors or has sponsored or contributes to or has contributed to and health care provider activities, if any, in which the Corporation engages, (ii) has complied in all relevant respects with HIPAA, including 45 C.F.R. Part 160 and Subparts A and E of Part 164 (the "HIPAA Privacy Rule"), including but not limited to HIPAA Privacy Rule requirements relating to health information use and disclosure, notices of privacy rights, appointment of a Privacy Officer, adoption of a privacy policy, amendment of plan documents, and implementation of employee training as to the handling of protected health information, and (iii) if required under the HIPAA Privacy Rule, has entered into business associate agreements on behalf of the Corporation' s health plans covering the handling of protected health information with vendors and others categorized under HIPAA as business associates of the Corporation' s health plans.

(e) Other Health Information Laws. Without limiting the generality of Section 5.24(a) through Section 5.24(d),

(i) the Corporation is currently, and has been at all times since its incorporation, in compliance in all material respects with all applicable health insurance, health information security, health information privacy, and health information transaction format Laws (each a "Health Information Law"), including, without limitation, any rules, regulations, codes, orders, decrees, and rulings thereunder of any federal, state, regional, county, city, municipal or local government, whether foreign or domestic, or any department, agency, bureau or other administrative or regulatory body obtaining authority from any of the foregoing; and

(ii) no action, suit, proceeding, investigation, charge, complaint, claim, demand, or notice has been filed or commenced against the Corporation nor to the Corporation' s Knowledge threatened against the Corporation, alleging any failure to comply with any Health Information Law; nor has the Corporation incurred any material liabilities (whether accrued, absolute, contingent or otherwise) under any Health Information Law.

5.25 Health Care and Affiliated Transactions; Stark and Anti-Kickback Laws.

(a) For purposes of the Stark II law and implementing regulations, if applicable, none of the directors or officers of the Corporation, or physicians employed by the Corporation, any other affiliates of the Corporation, or any of their respective immediate family members is (i) to the Corporation' s Knowledge, a partner or stockholder or has any other economic interest in any customer or supplier of the Corporation; (ii) a party to any transaction or contract with the Corporation; or (iii) indebted to the Corporation. The Corporation has not paid, or incurred any obligation to pay, any fees, commissions or other amounts to and is not a party to any agreement, business arrangement or course of dealing with any firm of or in which any of directors, officers or affiliates of the Corporation, or any of their respective immediate family members, is a partner or stockholder or has any other economic interest, other than ownership of less than one percent (1%) of a publicly traded corporation. No physician or family member of a physician has a financial relationship with the Corporation in violation of Section 1877 of the Social Security Act. The Corporation has made all filings required by Section 1877 of the Social Security Act.

(b) The Corporation has complied with all applicable state and federal "anti-kickback," fraud and abuse, false claims and related statutes and regulations. The Corporation has received no notice of nor is otherwise aware of any inquiries, audits, subpoenas or other investigations involving Corporation by the U.S. Department of Health and Human Services, the U.S. Office of Inspector General, any U.S. Attorney' s Office or any other federal or state agency with jurisdiction over such statutes or regulations.

SECTION 6. Representations and Warranties of the Investors to the Corporation.

Each of the Investors, as to itself, represents and warrants to the Corporation as follows:

(a) It is acquiring the Series A-1 Preferred Stock and, in the event it should acquire Reserved Common Shares upon conversion of the Series A-1 Preferred Stock, it will be acquiring such Reserved Common Shares, for its own account, for investment and not with a view to the distribution thereof within the meaning of the Securities Act.

(b) It is an "accredited investor" as such term is defined in Rule 501(a) promulgated under the Securities Act.

(c) It agrees that the Corporation may place a legend on the certificates delivered hereunder stating that the Series A-1 Preferred Stock and any Reserved Common Shares have not been registered under the Securities Act, and, therefore, cannot be offered, sold or transferred unless they are registered under the Securities Act or an exemption from such registration is available and that the offer, sale or transfer of the Series A-1 Preferred Stock and any Reserved Common Shares is further subject to any restrictions imposed by this Agreement and the Stockholders' Agreement.

(d) The execution, delivery and performance by it of this Agreement have been duly authorized by all requisite action of it.

(e) It further understands that the exemptions from registration afforded by Rule 144 and Rule 144A (the provisions of which are known to it) promulgated under the Securities Act depend on the satisfaction of various conditions, and that, if applicable, Rule 144 may afford the basis for sales only in limited amounts.

(f) It has such knowledge and experience in business and financial matters and with respect to investments in securities of privately-held companies so as to enable it to understand and evaluate the risks of its investment in the Series A-1 Preferred Stock and form an investment decision with respect thereto. It has been afforded the opportunity during the course of negotiating the transactions contemplated by this Agreement to ask questions of, and to secure such information from, the Corporation and its officers and directors as it deems necessary to evaluate the merits of entering into such transactions.

(g) If it is a natural person, it has the power and authority to enter into this Agreement. If it is not a natural person, it is duly organized and validly existing and has the power and authority to enter into this Agreement. Any Investor which is a corporation, partnership or trust represents that it has not been organized, reorganized or recapitalized specifically for the purpose of acquiring the securities of the Corporation.

(h) It has adequate net worth and means of providing for its current needs and personal contingencies to sustain a complete loss of its investment in the Corporation. The Investors understand that the foregoing representations and warranties shall be deemed material and to have been relied upon by the Corporation.

SECTION 7. Closing Conditions.

7.1 Deliveries; Conditions Precedent to Each Closing. The several obligations of each Investor to purchase and pay for the Series A-1 Preferred Stock at each Closing are subject to the satisfaction or waiver by such Investor or any waiver adopted or implemented pursuant to Section 19 of the following conditions precedent:

(a) All proceedings to have been taken and all waivers and consents to be obtained in connection with the transactions contemplated by this Agreement shall have been taken or obtained, and all documents incidental thereto shall be satisfactory to each Investor and its counsel, and each Investor and its counsel shall have received copies (executed or certified, as may be appropriate) of all documents which such Investor or its counsel may reasonably have requested in connection with such transactions.

(b) All legal matters incident to the purchase or acquisition of the Series A-1 Preferred Stock shall be satisfactory to each Investor' s counsel, and the Investors shall have received from Bingham McCutchen LLP a legal opinion addressed to the Investors and dated the date of each such Closing: (i) as to certain matters of law set forth in Sections 5.1, 5.2, 5.3, 5.4, 5.5 and 5.6(e) and (k) hereof; (ii) as to proceedings against the Corporation; and (iii) to the further effect that it is not necessary, and will not be necessary, as the case may be, to register the securities described in Sections 5.2(a) and (b) hereof under the Securities Act in connection with the issuance, sale and delivery of such securities.

(c) All consents, permits, approvals, qualifications and/or registrations required to be obtained or effected under any applicable securities or "Blue Sky" laws of any jurisdiction shall have been obtained or effected.

7.2 Deliveries: Conditions Precedent to the Stage I Closing. The several obligations of each Investor to purchase and pay for the Stage I Preferred Shares at the Stage I Closing, are subject to the satisfaction or waiver by such Investor or any waiver adopted or implemented pursuant to Section 19 the following conditions precedent:

(a) Except as set forth in the Disclosure Schedules hereto (as may be updated in connection with the Stage I Closing), on the Stage I Closing Date, the representations and warranties of the Corporation contained herein shall be true and correct on and as of the date of such Stage I Closing with the same force and effect as though such representations and warranties had been made on and as of such date (other than any representation or warranty made as of a particular date which shall be true and correct as of such date).

(b) A duly executed Restated Certificate in the form of Exhibit A hereto shall have been filed with and accepted by the Secretary of State of Delaware and shall be effective as the Restated Certificate of the Corporation under the laws of the State of Delaware, and a Stockholders' Agreement in form and substance attached hereto as Exhibit B shall have

been executed by the Corporation and the requisite stockholders of the Corporation such that the Stockholders' Agreement amends and restates in its entirety the Existing Stockholders' Agreement, and such executed Stockholders' Agreement shall have been delivered to the Investors.

(c) The Corporation shall have delivered to the Investors a certificate or certificates, dated the Stage I Closing Date, of the Secretary of the Corporation certifying as to (i) the resolutions of the Corporation' s Board of Directors and stockholders authorizing the execution and delivery of this Agreement and the delivery to the Investors of the Stage I Preferred Shares, such other documents and instruments as may be required by this Agreement, and the consummation of the transactions contemplated hereby and thereby, (ii) that such resolutions were duly adopted and have not been rescinded or amended as of said date, (iii) the name and the signature of the officers of the Corporation authorized to sign, as appropriate, this Agreement and the other documents and certificates to be delivered pursuant to this Agreement by either the Corporation or any of its officers, (iv) the Restated Certificate and (v) the Corporation' s by-laws.

(d) The Corporation shall have delivered to the Investors a certificate or certificates, dated the date of the Stage I Closing, of the President and Chief Executive Officer of the Corporation certifying as to the accuracy and completeness of the representations and warranties made by the Corporation pursuant to this Agreement as of each of the date of this Agreement and the date of such Stage I Closing.

(e) The Corporation shall have entered into confidentiality and, to the extent allowable under arrangements or agreements between a consultant and any relevant institution with which he may be an employee, assignment of inventions agreements with all employees and consultants of the Corporation satisfactory in form and substance to the Investors and their counsel.

(f) The Board of Directors of the Corporation shall be comprised of the following individuals (collectively, the "Director Individuals"): Martin Muenchbach, Ansbert Gadicke, Jonathan Fleming, Richard Lyttle, Elizabeth Stoner, Alan Auerbach and Kurt Graves.

(g) The Corporation shall have executed and delivered to each such director an indemnification agreement in the form attached hereto as Exhibit C.

(h) The Corporation shall have executed and delivered to each Investor so requesting a management rights letter in a form acceptable to such Investor.

(i) The holders of a majority of the shares of outstanding Series B Stock and Series C Stock, voting together as a single class, shall have consented to the entry into this Agreement and the Stockholders' Agreement by the Corporation, and the transactions contemplated hereby and the holders of a majority of the shares of outstanding Series B Stock and Series C Stock, voting together as a single class, and the holders of a majority of the shares of outstanding Series A Stock, Series B Stock and Series C Stock, voting together as a single class, and a majority of all outstanding shares Common Stock and Preferred Stock shall have approved the Merger and the adoption of the Merger Agreement.

(j) The holders of a majority of the shares of outstanding Series B Stock and the Series C Stock, voting together as a single class, shall have waived all (i) rights of first refusal (i.e., preemptive rights) under the Existing Stockholders' Agreement (including the notice requirements set forth therein) and (ii) antidilution adjustments, each in connection with issuance of Series A-1 Preferred Stock hereunder.

(k) MPM Acquisition Corp., a Delaware corporation ("MPMAC"), shall have filed at least ten (10) days prior to such Stage I Closing a Schedule 14F-1 with the Securities and Exchange Commission pertaining to the election of all of the Director Individuals as the entire membership of the Board of Directors of MPMAC.

(l) The Corporation shall have entered into a Stock Issuance Agreement and a Clinical Trial Services Agreement, each in the form of Exhibit D and Exhibit E, respectively, with Nordic Bioscience Clinical Development VII A/S.

7.3 Condition Subsequent to Stage I Closing. As a condition subsequent to the Stage I Closing, the Corporation shall have consummated a merger whereby it shall merge with and into RHI Merger Corp., a Delaware corporation and wholly-owned subsidiary of MPMAC ("Merger Sub"), immediately following the Stage I Closing (the "Merger"). In the event the Corporation does not satisfy such condition subsequent by consummating the Merger immediately following the Stage I Closing, then the Corporation shall return to each Investor, upon the Corporation' s prior receipt from such Investor of any stock certificate representing the shares of Series A-1 Preferred Stock purchased at such Stage I Closing by such Investor (including any Additional A-1 Shares received by such Investor at the Stage I Closing), the entire aggregate cash Purchase Price paid by such Investor to the Corporation at such Stage I Closing, and the Corporation and such Investor shall thereafter deem the purchase and sale of shares of Series A-1 Preferred Stock (including any Additional A-1 Shares received by such Investor at the Stage I Closing) by such Investor at the Stage I Closing to be rescinded as if it never occurred and the Stockholders' Agreement shall be amended to revert back in substance in all material respects to the prior version of such agreement in force and effect prior to the execution and delivery of the Stockholders' Agreement.

7.4 Deliveries: Conditions Precedent to the Stage II Closing. In addition to the continuing satisfaction or waiver of the conditions set forth in Section 7.1 hereof, the several obligations of each Investor to purchase and pay for the Stage II Preferred Shares at the Stage II Closing are subject to the satisfaction or waiver by such Investor or any waiver adopted or implemented pursuant to Section 19 of the following conditions precedent:

(a) Except as set forth in the Disclosure Schedules hereto (as may be updated in connection with the Stage II Closing to disclose changes arising solely from (i) the operation of the business of the Corporation in the ordinary course of business since the date of this Agreement or (ii) transactions or agreements approved by the Board of Directors of the Corporation), the representations and warranties of the Corporation contained herein shall be true and correct on and as of the Stage II Closing Date with the same force and effect as though such representations and warranties had been made on and as of such date (other than any representation or warranty made as of a particular date which shall be true and correct as of such date). In addition, there shall have been no changes to the Disclosure Schedules with respect to

the representations and warranties set forth in Sections 5.1, 5.2, 5.3, 5.4 and 5.5 other than changes with respect to Section 5.2 (Capitalization) arising from transactions or agreements approved by the Board of Directors of the Corporation.

(b) The Investors shall have received certificates in the form identical to that in Sections 7.2(c) and 7.2(d) dated as of the Stage II Closing Date and as to the Stage II Preferred Shares and Stage II Closing.

(c) The Merger shall have occurred following the Stage I Closing.

(d) Since the Stage I Closing, there shall have been no event or events that individually or in the aggregate has had a Corporation Material Adverse Effect.

(e) There shall have been no Liquidation or Special Liquidation (each as defined in the Certificate of Incorporation of the Corporation) and the Common Stock of the Corporation has not yet been listed for trading on a national securities exchange.

7.5 Deliveries: Conditions Precedent to the Stage III Closing. In addition to the continuing satisfaction or waiver of the conditions set forth in Section 7.1 hereof, the several obligations of each Investor to purchase and pay for the Stage III Preferred Shares at the Stage III Closing are subject to the satisfaction or waiver by such Investor or any waiver adopted or implemented pursuant to Section 19 of the following conditions precedent:

(a) Except as set forth in the Disclosure Schedules hereto (as may be updated in connection with the Stage III Closing to disclose changes solely arising from (i) the operation of the business of the Corporation in the ordinary course of business since the date of this Agreement or (ii) transactions or agreements approved by the Board of Directors of the Corporation), the representations and warranties of the Corporation contained herein shall be true and correct on and as of the Stage III Closing Date with the same force and effect as though such representations and warranties had been made on and as of such date (other than any representation or warranty made as of a particular date which shall be true and correct as of such date). In addition, there shall have been no changes to the Disclosure Schedules with respect to the representations and warranties set forth in Sections 5.1, 5.2, 5.3, 5.4 and 5.5 other than changes with respect to Section 5.2 (Capitalization) arising from transactions or agreements approved by the Board of Directors of the Corporation.

(b) The Investors shall have received certificates in the form identical to that in Sections 7.2(c) and 7.2(d) dated as of the Stage III Closing Date and as to the Stage III Preferred Shares and Stage III Closing.

(c) The Merger shall have occurred following the Stage I Closing.

(d) Since the Stage II Closing, there shall have been no event or events that individually or in the aggregate has had a Corporation Material Adverse Effect.

(e) There shall have been no Liquidation and the Common Stock of the Corporation has not yet been listed for trading on a national securities exchange.

7.6 Conditions to Obligations of the Corporation. It shall be a condition precedent to the obligations of the Corporation hereunder to be performed at the Stage I Closing, Stage II Closing or Stage III Closing, as the case may be, as to each Investor severally, but not jointly, that (a) the representations and warranties contained herein of each of the Investors hereunder shall be true and correct as of the date of each such Closing with the same force and effect as though such representations and warranties had been made on and as of such date, and that (b) each Investor who is an individual shall have completed, executed and delivered to the Corporation an accredited investor questionnaire, in a form provided by and to the reasonable satisfaction of the Corporation.

SECTION 8. Acknowledgement Regarding the Merger.

Each Investor hereby, in its capacity as a stockholder or future stockholder of the Corporation, (a) acknowledges that such Investor is aware that the Corporation has, prior to the execution and delivery of this Agreement, entered into an Agreement and Plan of Merger with MPMAC and Merger Sub with respect to the proposed Merger, an executed copy of which is attached hereto as Exhibit F (the "Merger Agreement"), (b) acknowledges that such Investor has received and reviewed the Merger Agreement; and (c) understands that the Merger is a condition subsequent to the Stage I Closing and a condition precedent to each of the Stage II Closing and the Stage II Closing and that the Merger is expected to be consummated immediately following the Stage I Closing.

SECTION 9. Expenses and Fees.

The Corporation shall pay, and hold each of the Investors harmless against all liability for the payment of all costs and other expenses incurred by any Investor in connection with the Corporation' s performance of and compliance with all agreements and conditions contained herein or contemplated hereby on its part to be performed or complied with. The Corporation further agrees that it will pay, and hold each of the Investors harmless from, any and all liability with respect to any stamp or similar taxes which may be determined to be payable in connection with the execution and delivery of this Agreement or any modification, amendment or alteration of the terms or provisions of this Agreement and that it will similarly pay, and hold each of the Investors harmless from, all issue taxes in respect of the issuance of the Series A-1 Preferred Stock to each of the Investors. Either at or as soon as reasonably practicable following the Stage I Closing, expiration or termination of this Agreement or the closing of any other funding event pursuant to this Agreement as it may be amended, the Corporation shall pay the reasonable and documented fees and expenses of Wilmer Cutler Pickering Hale and Dorr LLP incurred in connection with the review and negotiation of this Agreement, all documents and agreements related hereto and the transactions contemplated hereby.

SECTION 10. Certain Covenants.

Without the prior written consent of the holders of a majority of the shares of Series A-1 Preferred Stock issued and outstanding at the time (the "Majority Investors"), the Corporation shall not issue any shares of Series A-1 Preferred Stock or any securities convertible into shares of Series A-1 Preferred Stock other than (i) Excluded Stock (as defined in the Certificate of Incorporation of the Corporation), (ii) pursuant to the terms of this Agreement or (iii) pursuant to

agreements, warrants or arrangements described on **Schedule 10** hereof.

SECTION 11. Brokers or Finders.

The Corporation represents and warrants to each of the Investors, and each of the Investors, as to itself, represents and warrants to the Corporation, that, other than Leerink Swann LLC, which has acted as advisor to the Corporation in connection with the transactions contemplated by this Agreement, no person or entity has or will have, as a result of the transactions contemplated by this Agreement, any right, interest or valid claim against or upon the Corporation or the Investors for any commission, fee or other compensation as a finder or broker because of any act or omission by the Corporation or the Investors or by any agent of the Corporation or the Investors.

SECTION 12. Exchanges Lost. Stolen or Mutilated Certificates.

Upon surrender by any Investor to the Corporation of shares of Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock, Series A-4 Preferred Stock or Reserved Common Shares or any shares of Common Stock issued upon conversion of any Series A-2 Preferred Stock, Series A-3 Preferred Stock, Series A-4 Preferred Stock purchased or acquired by such Investor hereunder, the Corporation, at its expense, will issue in exchange therefor, and deliver to such Investor, a new certificate or certificates representing such shares in such denominations as may be requested by such Investor. Upon receipt of evidence satisfactory to the Corporation of the loss, theft, destruction or mutilation of any certificate representing any shares of Common Stock or Preferred Stock purchased or acquired by any Investor hereunder and, in case of any such loss, theft or destruction, upon delivery of any indemnity agreement satisfactory to the Corporation, or in case of any such mutilation, upon surrender and cancellation of such certificate, the Corporation, at its expense, will issue and deliver to such Investor a new certificate for such shares of Common Stock or Preferred Stock, as applicable, of like tenor, in lieu of such lost, stolen or mutilated certificate.

SECTION 13. Survival of Representations and Warranties.

The representations and warranties set forth in Sections 5 and 6 hereof shall survive the Closings indefinitely.

SECTION 14. Indemnification.

The Corporation shall indemnify, defend and hold each of the Investors harmless against any and all liabilities, loss, cost or damage, together with all reasonable costs and expenses related thereto (including legal and accounting fees and expenses), arising from, relating to, or connected with the untruth, inaccuracy or breach of any statements, representations, warranties or covenants of the Corporation contained herein, including, but not limited to, all statements, representations, warranties or covenants concerning environmental matters.

SECTION 15. Remedies.

In case any one or more of the representations, warranties, covenants and/or agreements set forth in this Agreement shall have been breached by any party hereto, the party or parties

entitled to the benefit of such representations, warranties, covenants or agreements may proceed to protect and enforce its or their rights either by suit in equity and/or action at law, including, but not limited to, an action for damages as a result of any such breach and/or an action for specific performance of any such covenant or agreement contained in this Agreement. The rights, powers and remedies of the parties under this Agreement are cumulative and not exclusive of any other right, power or remedy which such parties may have under any other agreement or law. No single or partial assertion or exercise of any right, power or remedy of a party hereunder shall preclude any other or further assertion or exercise thereof.

SECTION 16. Successors and Assigns.

(a) Except as otherwise expressly provided herein, this Agreement shall bind and inure to the benefit of the Corporation and each of the Investors and the respective permitted successors and assigns of each of the Investors and the permitted successors and assigns of the Corporation. Subject to the provisions of Sections 3.1, 3.2, 3.3 and 3.10 of the Stockholders' Agreement, this Agreement and the rights and duties of the Investors set forth herein may be freely assigned, in whole or in part, by the Investors. Neither this Agreement nor any of the rights or duties of the Corporation set forth herein shall be assigned by the Corporation, in whole or in part, without having first received the written consent of the Majority Investors. Notwithstanding the foregoing, upon the consummation of the Merger and with respect to all times following the consummation of the Merger, (i) the Corporation shall, and hereby does, assign all of its rights, duties and obligations under this Agreement to MPMAC and (ii) all references to the "Corporation" in this Agreement and to its capital stock or any other aspects of the Corporation shall be deemed to be references to MPMAC and its capital stock and other applicable aspects of MPMAC. MPMAC, by executing this Agreement as an anticipated successor and assign to the Corporation, does hereby assume, effective upon the consummation of the Merger, all of the Corporation' s rights, duties and obligations under this Agreement, including the obligation to issue to the Investors at the Stage II Closing and the Stage III Closing shares of MPMAC capital stock with rights, preferences and privileges substantially similar to those of the Series A-1 Preferred Stock and Radius will be released from its duties and obligations under this Agreement. All parties to this Agreement, including the Majority Investors, hereby consent to the assignment and assumption contemplated between the Corporation and MPMAC set forth in this paragraph.

(b) Notwithstanding any term or condition contained herein to the contrary, Saints Capital VI, L.P. ("Saints") may assign all of its rights and obligations hereunder to one or a combination of OBP IV − Holdings LLC and mRNA II − Holdings LLC solely upon written notice provided to the Corporation and countersigned by the assignee who shall agree to assume all of Saints' rights and obligations hereunder on a prospective basis, at which point Saints shall have no further rights, obligations or liabilities under this Agreement (except with respect to liabilities related to breaches of this Agreement by Saints occurring prior to the date of any such assignment).

SECTION 17. Entire Agreement.

This Agreement, together with the other writings referred to herein, including the Restated Charter and the Stockholders' Agreement, or delivered hereunder and which form a part

hereof, contains the entire agreement among the parties with respect to the subject matter hereof and amends, restates and supersedes all prior and contemporaneous arrangements or understandings, whether written or oral, with respect thereto.

SECTION 18. Notices.

All notices, requests, consents and other communications hereunder to any party shall be deemed to be sufficient if contained in a written instrument delivered in person or duly sent by first class registered, certified or overnight mail, postage prepaid, or telecopied or e-mailed with a confirmation copy by regular mail, addressed, telecopied or e-mailed, as the case may be, to such party at the address, telecopier number or e-mail address, as the case may be, set forth below or such other address, telecopier number or e-mail address, as the case may be, as may hereafter be designated in writing by the addressee to the addressor listing all parties:

(i) if to the Corporation. to:

Radius Health, Inc.
201 Broadway
Sixth Floor
Cambridge, MA 02139
Attention: B. Nicholas Harvey
Telecopier: (617) 444-1834
E-mail: bnharvey@radiuspharm.com

with a copy to:

Bingham McCutchen
One Federal Street
Boston. MA 02110-1726
Attention: Julio E. Vega, Esq.
Telecopier: (617) 951-8736
E-mail: Julio.vega@bingham.com

(ii) if to Investors, as set forth on Schedule 1.

All such notices, requests, consents and other communications shall be deemed to have been received: (a) in the case of personal delivery, on the date of such delivery; (b) in the case of mailing, on the third business day following the date of such mailing; (c) in the case of overnight mail, on the first business day following the date of such mailing; (d) in the case of facsimile transmission, when confirmed by facsimile machine report; or (e) in the case of e-mail delivery, when confirmed by the sender' s e-mail system.

SECTION 19. Changes.

The terms and provisions of this Agreement may not be modified or amended, or any of the provisions hereof waived, temporarily or permanently, except pursuant to a writing executed by a duly authorized representative of the Corporation, MPMAC and the Majority Investors.

Notwithstanding the foregoing, any modification or amendment to this Agreement that would adversely affect one Investor in a manner that is directed specifically to such Investor, rather than to all Investors, shall be subject to the approval of each such Investor. It is understood that this separate consent would not be required if any such adverse effect results from the application of criteria uniformly to all Investors even if such application may affect Investors differently.

SECTION 20. Counterparts.

This Agreement may be executed in any number of counterparts, and each such counterpart shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.

SECTION 21. Headings.

The headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of this Agreement.

SECTION 22. Nouns and Pronouns.

Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of names and pronouns shall include the plural and vice-versa.

SECTION 23. Severability.

Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 24. Further Assurances.

The parties shall cooperate reasonably with each other in connection with any steps required to be taken as part of their respective obligations under this Agreement, and shall furnish upon request to each other such further information, execute and deliver to each other such other documents, and do such other acts and things, all as the other party may reasonably request for purposes of carrying out the intend of this Agreement and consummating the transactions contemplated hereby.

SECTION 25. Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, excluding choice of laws rules thereof.

(*Remainder of Page Left Intentionally Blank.*)

(Signature Page to Stock Purchase Agreement)

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

THE CORPORATION:

RADIUS HEALTH, INC.

By: /s/ C. Richard Edmund Lyttle
Name: C. Richard Edmund Lyttle
Title: President

As an anticipated successor and assign to the Corporation under Section 16 hereof:

MPM ACQUISITION CORP.

By: /s/ C. Richard Edmund Lyttle
Name: C. Richard Edmund Lyttle
Title: President

INVESTORS:

BB Biotech Ventures II, L.P.

By:

By: /s/ Ben Morgan
Name: Ben Morgan
Title: Director

BB Biotech Growth N.V.

By:

By: /s/ Jan Bootsma
Name: Jan Bootsma
Title: Managing Director

HEALTHCARE VENTURES VII, L.P.
By: HealthCare Partners VII, L.P.
Its General Partner

By: /s/ Jeffrey Steinberg
Name: Jeffrey Steinberg
Title: Administrative Partner of Healthcare Partners VII, L.P.
The General Partner of Healthcare Ventures VII, L.P.

HEALTHCARE PRIVATE EQUITY LIMITED PARTNERSHIP
By: Waverly Healthcare Private Equity Limited,
Its General Partner

By: /s/ Andrew November
Name: Andrew November

Title: Director

MPM BIOVENTURES III, L.P.

By: MPM BioVentures III GP, L.P.,
its General Partner
By: MPM BioVentures III LLC,
its General Partner

By: /s/ Ansbert Gadicke
Name: Ansbert Gadicke
Title: Series A Member

MPM BIOVENTURES III-QP, L.P.

By: MPM BioVentures III GP, L.P.,
its General Partner
By: MPM BioVentures III LLC,
its General Partner

By: /s/ Ansbert Gadicke
Name: Ansbert Gadicke
Title: Series A Member

MPM BIOVENTURES III GMBH & CO. BETEILIGUNGS KG

By: MPM BioVentures III GP, L.P.,
in its capacity as the Managing Limited Partner
By: MPM BioVentures III LLC,
its General Partner

By: /s/ Ansbert Gadicke
Name: Ansbert Gadicke
Title: Series A Member

MPM BIOVENTURES III PARALLEL FUND, L.P.

By: MPM BioVentures III GP, L.P.,
its General Partner
By: MPM BioVentures III LLC,
its General Partner

By: /s/ Ansbert Gadicke
Name: Ansbert Gadicke
Title: Series A Member

MPM ASSET MANAGEMENT INVESTORS 2003 BVIII LLC

By: /s/ Ansbert Gadicke
Name: Ansbert Gadicke
Title: Series A Member

MPM BIO IV NVS STRATEGIC FUND, L.P.

By: MPM BioVentures IV GP LLC,
its General Partner
By: MPM BioVentures IV LLC,
its Managing Member

By: /s/ Ansbert Gadicke
Name: Ansbert Gadicke
Title:

SAINTS CAPITAL VI, L.P.,
a limited partnership

By: Saints Capital VI LLC,
a limited liability company

By: /s/ David Quinlan
Name: David Quinlan
Title: Managing Member

BROOKSIDE CAPITAL PARTNERS FUND, L.P.

By: /s/ Michael Butler
Name: Michael Butler
Title: Associate General Counsel

The Breining Family Trust dated August 15, 2003

By: /s/ Clifford A. Breining
Name: Clifford A. Breining
Title: Trustee

The Richman Trust dated 2/6/83

By: /s/ Douglas Richman
Name: Douglas D. Richman
Title: Co-Trustee

By: /s/ Eva A. Richman
Name: Eva A. Richman,
Title: Co-Trustee

WELLCOME TRUST LIMITED, AS TRUSTEE OF THE WELLCOME TRUST

By: /s/ Peter Pereira Gray
Name: Peter Pereira Gray
Title: Managing Director

/s/ Raymond Schinazi
Dr. Raymond F. Schinazi

/s/ H. Watt Gregory III
H. Watt Gregory III

The David E. Thompson Revocable Trust

By: /s/ David E. Thompson
Name: David E. Thompson
Title: Trustee

Schedule I

Name of Investors	Address of Record	Stage I Preferred Shares	Additional A-1 Shares	Stage II Preferred Shares	Stage III Preferred Shares
BB Biotech Ventures II, L.P.	Trafalgar Court Les Banques	204,700	231,265	204,700	204,700

	St. Peter Port Guernsey Channel Islands GY1 3QL With copies to Martin Münchbach Bellevue Asset Management Seestrasse 16 8700 Küsnacht Switzerland				
BB Biotech Growth N.V.	Snipweg 26 Curaçao	409,400		409,400	409,400
HealthCare Ventures VII, L.P.	44 Nassau Street Princeton, NJ 08542	196,512		196,512	196,511
MPM BioVentures III, L.P.	c/o MPM Capital 200 Clarendon Street 54th Floor Boston, MA 02116	34,371	47,854	34,371	34,371
MPM BioVentures III - QP, L.P	c/o MPM Capital 200 Clarendon Street 54th Floor Boston, MA 02116	511,191	711,714	511,191	511,191

Name of Investors	Address of Record	Stage I Preferred Shares	Additional A-1 Shares	Stage II Preferred Shares	Stage III Preferred Shares
MPM BioVentures III GmbH & Co. Beteiligungs KG	c/o MPM Capital 200 Clarendon Street 54th Floor Boston, MA 02116	43,202	60,149	43,202	43,202
MPM BioVentures III Parallel Fund, L.P.	c/o MPM Capital 200 Clarendon Street 54th Floor Boston, MA 02116	15,438	21,494	15,438	15,438
MPM Asset Management Investors 2003 BVIII LLC	c/o MPM Capital 200 Clarendon Street 54th Floor Boston, MA 02116	9,898	13,783	9,898	9,898
MPM Bio IV NVS Strategic Fund, L.P.	c/o MPM Capital 200 Clarendon Street 54th Floor Boston, MA 02116	302,683	237,330	302,683	302,682
Saints Capital VI, L.P.	475 Sansome Street, Suite 1850 San Francisco, CA 94111 Attention: Scott Halsted	163,760		163,760	163,760

	With copy to: Oxford Bioscience Partners 222 Berkley Street Suite 1650 Boston, MA 02116

Name of Investors	Address of Record	Stage I Preferred Shares	Additional A-1 Shares	Stage II Preferred Shares	Stage III Preferred Shares
The Wellcome Trust Limited as trustee of the Wellcome Trust	215 Euston Road London NW1 2BE England	255,223		255,223	255,223
Dr. Raymond F. Schinazi	2881 Peachtree Road, NE Unit 1403 Atlanta, GA 30305	3,658	3,917	3,658	3,657
Healthcare Private Equity Limited Partnership	c/o Scottish Widows Investment Partnership Edinburgh One Morrison Street Edinburgh EH3 8BE U.K.	68,059		68,059	68,060
Brookside Capital Partners Fund, L.P.	Attn: Brookside Legal Department Bain Capital, LLC 111 Huntington Avenue Boston, MA 02199	409,400		409,400	409,400
H. Watt Gregory, III	Suite 200 124 West Capitol Avenue Little Rock, Arkansas 72201	1,329		1,329	1,330
The Breining Family Trust 2/15/03	PO Box 9540 Rancho Santa Fe, CA 92067	407		407	408
David E. Thompson Revocable Trust	1045 Mason Street, # 501 San Francisco, CA 94108	1,964		1,964	1,965

Name of Investors	Address of Record	Stage I Preferred Shares	Additional A-1 Shares	Stage II Preferred Shares	Stage III Preferred Shares
The Richman Trust dated 2/6/83	9551 La Jolla Farms Road La Jolla, CA 92037	650		650	650
TOTAL:		2,631,845	1,327,506	2,631,845	2,631,846

Exhibit A

Form of Restated Certificate

FOURTH AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION

OF

RADIUS HEALTH, INC.

(Pursuant to Section 242 and 245 of the
General Corporation Law of the State of Delaware)

Radius Health, Inc., a Delaware corporation hereby certifies as follows:

1. The name of the corporation is Radius Health, Inc. (the "Corporation"). The Corporation filed its original Certificate of Incorporation with the Secretary of State of the State of Delaware on October 3, 2003 and the name under which it was originally incorporated was NuVios, Inc.

2. This Fourth Amended and Restated Certificate of Incorporation (the "Certificate") amends, restates and integrates the provisions of the Third Amended and Restated Certificate of Incorporation as heretofore in effect (the "Prior Certificate"), has been duly adopted in accordance with the provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware ("DGCL"), and has been approved by written consent of the stockholders of the Corporation in accordance with the provisions of Section 228 of the DGCL (prompt notice of such action having been given to those stockholders who did not consent in writing).

3. Effective immediately at the effective date of the filing of this Certificate (the "Effective Time"), the Prior Certificate, as heretofore amended, is hereby further amended and restated to read in its entirety as follows:

ARTICLE I
Name

The name of the corporation is Radius Health, Inc.

ARTICLE II
Purpose

The Corporation is organized to engage in any lawful act or activity for which a corporation may be organized under the DGCL.

ARTICLE IIA
Reverse Split

Simultaneously with the Effective Time (the "Split Effective Date"), a reverse split (the "Reverse Split") of the Corporation' s outstanding capital stock shall occur as follows: (a) each share of Common Stock issued and outstanding or held as treasury shares immediately prior to the Split Effective Date (the "Old Common Stock") shall automatically without any action on the part of the holder thereof, be reclassified and changed into 0.06666667 of one share of Common Stock from and after the Split Effective Date (the "New Common Stock"), (b) each share of Series A Stock issued and outstanding or held as treasury shares immediately prior to the Split Effective Date (the "Old Series A Stock") shall automatically without any action on the part of the holder thereof, be reclassified and changed into

0.06666667 of one share of Series A Stock from and after the Split Effective Date (the "New Series A Stock"), (c) each share of Series B Stock issued and outstanding or held as treasury shares immediately prior to the Split Effective Date (the "Old Series B Stock") shall automatically without any action on the part of the holder thereof, be reclassified and changed into 0.06666667 of one share of Series B Stock from and after the Split Effective Date (the "New Series B Stock") and (d) each share of Series C Stock issued and outstanding or held as treasury shares immediately prior to the Split Effective Date (the "Old Series C Stock") shall automatically without any action on the part of the holder thereof, be reclassified and changed into 0.06666667 of one share of Series C Stock from and after the Split Effective Date (the "New Series C Stock"). No fractional shares of Common Stock or Preferred Stock shall be issued upon such reclassification effected by the Reverse Split. Rather, if such reclassification would result in the issuance of any fractional share to any stockholder after aggregating all fractional shares of any class or series of stock otherwise issuable to such stockholder, the Corporation shall, in lieu of issuing any fractional share to such stockholder, pay a cash amount to such stockholder equal to the sum of (A) the product of any fractional share of New Common Stock pertaining to such stockholder multiplied by $8.142, (B) the product of any fractional share of New Series A Stock pertaining to such stockholder multiplied by $8.142, (C) the product of any fractional share of New Series B Stock pertaining to such stockholder multiplied by $8.142 and (D) the product of any fractional share of New Series C Stock pertaining to such stockholder multiplied by $8.142. Subject to the rest of the provisions of this Certificate, each holder of a certificate or certificates, which immediately prior to the Split Effective Date represented outstanding shares of Old Common Stock, Old Series A Stock, Old Series B Stock and Old Series C Stock, as applicable (the "Old Certificates"), shall, from and after the Split Effective Date, be entitled to receive upon surrender of such Old Certificates to the Corporation' s transfer agent for cancellation, a certificate or certificates (the "New Certificates") representing the shares of New Common Stock, New Series A Stock, New Series B Stock and New Series C Stock, as applicable, into which the shares of Old Common Stock, Old Series A Stock, Old Series B Stock and Old Series C Preferred Stock formerly represented by such Old Certificates so surrendered are reclassified under the terms hereof. All stock numbers and prices set forth in this Certificate (including, without limitation, those share numbers set forth in Article III) give effect to the Reverse Split and no further adjustments are necessary with respect thereto.

ARTICLE III
Capital Stock

Authorization. The total number of shares of all classes of stock which the Corporation shall have authority to issue is Seventy-six Million Thirty-four Thousand Twenty-nine (76,034,029) shares, consisting of Sixty Three Thousand (63,000) shares of Series A Junior Convertible Preferred Stock, par value $.01 per share (the "Series A Stock"), One Million Six Hundred Thousand (1,600,000) shares of Series B Convertible Redeemable Preferred Stock, par value $.01 per share (the "Series B Stock"), Ten Million One Hundred Forty-six Thousand Six Hundred Twenty-nine (10,146,629) shares of Series C Convertible Preferred Stock, par value $.01 per share, (the "Series C Stock", and together with the Series B Stock, the "Existing Senior Preferred Stock", and collectively with the Series A Stock and Series B Stock, the "Existing Preferred Stock"), Ten Million (10,000,000) shares of Series A-1 Convertible Preferred Stock, par value $.01 per share (the "Series A-1 Stock"), Nine Million Eight Hundred Thirty-two Thousand One Hundred Thirty-three (9,832,133) shares of Series A-2 Convertible Preferred Stock, par value $.01 per share (the "Series A-2 Stock"), One Million Four Hundred Twenty-two Thousand Three Hundred (1,422,300) shares of Series A-3 Convertible Preferred Stock, par value $.01 per share, (the "Series A-3 Stock" and together with the Series A-1 Stock and Series A-2 Stock, the "Participating Preferred Stock"), Forty Thousand and Three (40,003) shares of Series A-4 Convertible Preferred Stock, par value $.01 per share (the "Series A-4 Stock"), Seventy Thousand (70,000) shares of Series A-5 Convertible Preferred Stock, par value $.01 per share (the "Series A-5 Stock") and Eight Million (8,000,000) shares of Series A-6 Convertible Preferred Stock, par value $.01 per share (the "Series A-6

Stock", and together with the Series A-1 Stock, the Series A-2 Stock, the Series A-3 Stock, the Series A-4 Stock and the Series A-5 Stock, the "New Preferred Stock"), and Thirty-four Million Eight Hundred Fifty-nine Thousand Nine Hundred Sixty-four (34,859,964) shares of Common Stock, par value $.01 per share (the "Common Stock").

SPECIAL NOTE: ***The terms, conditions, designations, preferences and privileges of the Existing Preferred Stock are set forth below in Part A of this Article III, however, it is expected that upon the Stage I Closing (as defined in the Series A-1 Purchase Agreement) of the Qualified Financing (as defined herein), all shares of Existing Preferred Stock will be converted into shares of New Preferred Stock***

or Common Stock, the terms, conditions, designations, preferences and privileges of which are set forth in Part B and Part C of this Article III, respectively.

PART A. EXISTING PREFERRED STOCK

1. Designation and Amount. The number of shares, powers, terms, conditions, designations, preferences and privileges, relative, participating, optional and other special rights, and qualifications, limitations and restrictions, if any, of the Existing Preferred Stock shall be as set forth in this Part A. The number of authorized shares of the Series A Stock is Sixty Three Thousand (63,000), the number of authorized shares of the Series B Stock is One Million Six Hundred Thousand (1,600,000), and the number of authorized shares of the Series C Stock is Ten Million One Hundred Forty-six Thousand Six Hundred Twenty-nine (10,146,629).

2. Ranking. The Corporation' s shares of Series C Stock shall rank, as to dividends and upon Liquidation (as defined in Section A.4(b) hereof) and Event of Sale (as defined in Section A.4(h) hereof), equally with each other and senior and prior to the Corporation' s shares of Series B Stock and Series A Stock. The Corporation' s shares of Series B Stock shall rank, as to dividends and upon Liquidation and Event of Sale, equally with each other and senior and prior to the Corporation' s shares of Series A Stock. With respect to dividends, Liquidation and Event of Sale prior, the Series A Stock, Series B Stock and Series C Stock shall rank senior and prior to the Corporation' s Common Stock and to all other classes or series of stock issued by the Corporation, except as otherwise approved by the affirmative vote or consent of the holders shares of Existing Senior Preferred Stock representing at least a majority of the shares of the voting power of the Existing Senior Preferred Stock then outstanding (determined as set forth in the second sentence of Section A.6(a) hereof) (the "Existing Senior Majority").

3. Dividend Provisions.

(a) Series C Stock. The holders of shares of the Series C Stock shall be entitled to receive dividends at the rate of 8% of the Series C Original Purchase Price (as defined in Section A.8 hereof) per annum, compounding annually, and which will accrue on a quarterly basis commencing on the applicable date of issuance of each of such shares of Series C Stock. The holders of Series C Stock shall be entitled to receive dividends prior in right to the payment of dividends and other distributions (whether in cash, property or securities of the Corporation, including subscription or other rights to acquire securities of the Corporation) on the Series B Stock, Series A Stock and Common Stock. Dividends hereunder shall be payable in cash, when, as and if declared or paid by the Board of Directors and, as accrued, on any Liquidation (as defined in Section A.4(b) hereof) or Event of Sale (as defined in Section A.4(h)(vii) hereof), or upon any Redemption Date (as defined in Section A.5(c) hereof). Dividends hereunder shall be payable in shares of Common Stock (calculated based upon the then effective Series C Conversion Price), as accrued, upon the conversion of the Series C Stock into Common Stock. Whenever any dividend may be declared or paid on any shares of Series C Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series C Stock then outstanding, so that all outstanding shares of Series C Stock

will participate equally with each other and ratably per share (calculated as provided in Section A.3(d) hereof). Whenever any dividend or other distribution, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series C Stock then outstanding so that all outstanding shares of Series C Stock will participate in such dividend ratably with such shares of Common Stock (calculated as provided in Section A.3(d) hereof); or (ii) any shares of any other series of Preferred Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same or equivalent rate upon each share of the Series C Stock then outstanding so that all outstanding shares of Series C Stock will participate in such dividend ratably with such shares of such other series of Preferred Stock (based on the number of shares of Common Stock into which each share Series C Stock and each share of such other series of Preferred Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of such other series of Preferred Stock as compared with the Series C Stock then outstanding).

(b) Series B Stock. Following payment in full of required dividends to the holders of Series C Stock in accordance with Section A.3(a) above, the holders of shares of the Series B Stock shall be entitled to receive dividends at the rate of 8% of the Series B Original Purchase Price (as defined in Section A.8 hereof) per annum, compounding annually, and which will accrue on a quarterly basis commencing on the applicable date of issuance of each of such shares of Series B Stock. The holders of Series B Stock shall be entitled to receive dividends prior in right to the payment of dividends and other distributions (whether in cash, property or securities of the Corporation, including subscription or other rights to acquire securities of the Corporation) on the Series A Stock and Common Stock. Dividends hereunder shall be payable in cash, when, as and if declared or paid by the Board of Directors and, as accrued, on any Liquidation (as defined in Section A.4(b) hereof) or Event of Sale (as defined in Section A.4(h) hereof), or upon any Redemption Date (as defined in Section A.5(c) hereof). Dividends hereunder shall be payable in shares of Common Stock (calculated based upon the then effective Series B Conversion Price), as accrued, upon the conversion of the Series B Stock into Common Stock. Whenever any dividend may be declared or paid on any shares of Series B Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series B Stock then outstanding, so that all outstanding shares of Series B Stock will participate equally with each other and ratably per share (calculated as provided in Section A.3(d) hereof). Whenever any dividend, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series B Stock then outstanding so that all outstanding shares of Series B Stock will participate in such dividend ratably with such shares of Common Stock (calculated as provided in Section A.3(d) hereof); or (ii) any shares of Series A Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same or equivalent rate upon each share of the Series B Stock then outstanding so that all outstanding shares of Series B Stock will participate in such dividend ratably with such shares of Series A Stock (based on the number of shares of Common Stock into which each share of Series B Stock and each share of Series A Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of Series A Stock as compared with the Series B Stock then outstanding).

(c) Series A Stock. Following payment in full of required dividends to the holders of Series C Stock and Series B Stock in accordance with Sections A.3(a) and (b) above, the holders of shares of the Series A Stock shall be entitled to receive, when, if and as declared by the Board of Directors, dividends on any shares of Series A Stock, out of funds legally available for that purpose, at a rate to be determined by the Board of Directors if and when they may so declare any dividend on the Series A Stock.

(d) In connection with any dividend declared or paid hereunder, each share of Existing Preferred Stock shall be deemed to be that number of shares (including fractional shares) of Common Stock into which it is then convertible, rounded up to the nearest one-tenth of a share. No fractional shares of capital stock shall be issued as a dividend hereunder. The Corporation shall pay a cash adjustment for any such fractional interest in an amount equal to the fair market value thereof on the last Business Day (as defined in Section A.8 hereof) immediately preceding the date for payment of dividends as determined by the Board of Directors in good faith.

4. Liquidation Rights.

(a) With respect to rights on Liquidation (as defined in Section A.4(b) hereof): (i) the shares of Series C Stock shall rank equally with each other and senior and prior to the shares of Series B Stock, Series A Stock and the Common Stock and to all other classes or series of stock issued by the Corporation, except as otherwise approved by the affirmative vote or consent of the Existing Senior Majority; (ii) the shares of Series B Stock shall rank equally with each other and senior and prior to the shares of Series A Stock and the shares of Common Stock and to all other junior classes or series of stock issued by the Corporation, and junior to the Series C Stock; and (iii) the Series A Stock shall rank senior and prior to the Corporation' s Common Stock and to all other junior classes or series of stock issued by the Corporation, and junior to the Existing Senior Preferred Stock.

(b) In the event of any liquidation, dissolution or winding-up of the affairs of the Corporation (collectively, a "Liquidation"): (i) the holders of shares of Series C Stock then outstanding (the "Series C Stockholders") shall be entitled to receive out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the holders of Series B Stock then outstanding (the "Series B Stockholders"), the holders of Series A Stock then outstanding

(the "Series A Stockholders," and collectively with the Series C Stockholders and the Series B Stockholders, the "Existing Preferred Stockholders"), or the holders of Common Stock or any other class or series of stock ranking on Liquidation junior to such Series C Stock, an amount per share equal to the Series C Original Purchase Price (as defined in Section A.8 hereof), plus an amount equal to any declared or accrued but unpaid dividends thereon, calculated pursuant to Section A.3(a) hereof; (ii) after the distribution to the Series C Stockholders of the full amount to which they are entitled to receive pursuant to this Section A.4(b), the Series B Stockholders shall be entitled to receive out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the Series A Stockholders or the holders of Common Stock or any other class or series of stock ranking on Liquidation junior to such Series B Stock, an amount per share equal to the Series B Original Purchase Price (as defined in Section A.8 hereof), plus an amount equal to any declared or accrued but unpaid dividends thereon, calculated pursuant to Section A.3(b) hereof; and (iii) after the distribution to the Series B Stockholders of the full amount to which they are entitled to receive pursuant to this Section A.4(b), the Series A Stockholders shall be entitled to receive out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the holders of Common Stock or any other class or series of stock ranking on Liquidation junior to such Series A Stock, an amount per share equal to the Series A Original Purchase Price (as defined in Section A.8 hereof), plus an amount equal to any declared but unpaid dividends thereon, calculated pursuant to Section A.3(c) hereof. Notwithstanding the foregoing or anything else expressed or implied herein, the transactions contemplated by that certain Agreement and Plan of Merger dated as of April 25, 2011 by and among the Corporation, MPM Acquisition Corp. and RHI Merger Corp. (the "Merger Agreement") shall not be a "Liquidation" for purposes of this Certificate.

(c) If, upon any Liquidation the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series C Stockholders the full amount to which each of

them shall be entitled pursuant to Section A.4(b) above, then the Series C Stockholders shall share ratably in any distribution of assets according to the respective amounts which would be payable to them in respect of the shares of Series C Stock held upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(d) If, upon any Liquidation the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series B Stockholders the full amount to which each of them shall be entitled pursuant to Section A.4(b) above, then after payment to the Series C Stockholders of the full amount to which such stockholders are entitled pursuant to Section A.4(b) above, the Series B Stockholders shall share ratably in any remaining distribution of assets according to the respective amounts which would be payable to them in respect of the shares of Series B Stock held upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(e) If, upon any Liquidation the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series A Stockholders the full amount to which each of them shall be entitled pursuant to Section A.4(b) above, then after payment to the Series C Stockholders and Series B Stockholders of the full amount to which such stockholders are entitled pursuant to Section A.4(b) above, the Series A Stockholders shall share ratably in any remaining distribution of assets according to the respective amounts which would be payable to them in respect of the shares of Series A Stock held upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(f) In the event of any Liquidation, after payment shall have been made to the Existing Preferred Stockholders of the full amount to which they shall be entitled pursuant to Section A.4(b), the holders of each other class or series of capital stock (other than Common Stock) ranking on Liquidation junior to such Series C Stock, Series B Stock and Series A Stock (in descending order of seniority), but senior to the Common Stock, as a class, shall be entitled to receive an amount equal (and in like kind) to the aggregate preferential amount fixed for each such junior class or series of capital stock. If, upon any Liquidation prior to the Initial Closing of the Qualified Financing, after payment shall have been made to the Existing Preferred Stockholders of the full amount to which they shall be entitled pursuant to Section A.4(b), the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay a class or series of capital stock (other than the Common Stock) junior to the Series C Stock, Series B Stock and Series A Stock the full amount to which they shall be entitled pursuant to the preceding sentence, the holders of such other class or series of capital stock shall share ratably, based upon the number

of then outstanding shares of such other class or series of capital stock, in any remaining distribution of assets according to the respective preferential amounts fixed for such junior class or series of capital stock or which would be payable to them in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(g) In the event of any Liquidation prior, after payments shall have been made first to the Existing Preferred Stockholders and then to the holders of each junior class or series of capital stock (other than Common Stock) which is junior to the Series C Stock, Series B Stock and the Series A Stock but senior to the Common Stock, of the full amount to which they each shall be entitled as aforesaid, the holders of Common Stock, as a class, shall be entitled to share ratably with the Series C Stockholders and Series B Stockholders (calculated with respect to such Series C Stock and Series B Stock as provided in the last sentence in this Section A.4(g)) in all remaining assets of the Corporation legally available for distribution to its stockholders. For purposes of calculating the amount of any payment to be paid upon any such Liquidation pursuant to the participation feature described in this Section A.4(g), each share of such Existing Senior Preferred Stock shall be deemed to be that number of shares (including fractional shares and any shares attributable to the payment of accrued and unpaid

dividends upon conversion of such Preferred Stock pursuant to Section A.7(b)) of Common Stock into which it is then convertible, rounded to the nearest one-tenth of a share.

(h) (i) In the event of and simultaneously with the closing of an Event of Sale (as hereinafter defined), the Corporation shall, unless waived by the Existing Senior Majority or otherwise prevented by law, redeem all of the shares of Series C Stock, Series B Stock and Series A Stock then outstanding for a cash amount per share determined as set forth below in this Section A.4(h) hereof (the "Special Liquidation Price," said redemption being referred to herein as a "Special Liquidation"). In the event the Event of Sale involves consideration that does not consist of cash, then the Special Liquidation Price may be paid with such consideration having a value equal to the Special Liquidation Price. To the extent there is any cash consideration in connection with an Event of Sale, at the option of the holders of a majority of the Series C Stock, the cash consideration will first (i) be applied to satisfy the Special Liquidation Price payable to the Series C Stockholders (in relative proportion to the full liquidation preference the Series C Stockholders would have received had there been sufficient cash consideration to have paid their liquidation preference in full); then (ii) be applied to satisfy the Special Liquidation Price payable to the holders of Series B Stock (in relative proportion to the full liquidation preference the Series B Stockholders would have received had there been sufficient cash consideration to have paid their liquidation preference in full), prior to the payment thereof to any other stockholders of the Corporation; and (iii) then be applied to satisfy the Special Liquidation Price payable to the holders of Series A Stock (in relative proportion to the full liquidation preference the Series A Stockholders would have received had there been sufficient cash consideration to have paid their liquidation preference in full), prior to the payment thereof to any other stockholders of the Corporation. For all purposes of this Section A.4(h), the Special Liquidation Price shall be equal to that amount per share which would be received by each Existing Preferred Stockholder if, in connection with an Event of Sale, all the consideration paid in exchange for the assets or the shares of capital stock (as the case may be) of the Corporation were actually paid to and received by the Corporation and the Corporation were immediately thereafter liquidated and its assets distributed pursuant to Sections A.4(a) through (h) hereof. To the extent that one or more redemptions (as described in Section A.5 hereof) and/or Special Liquidations are occurring concurrently, the Special Liquidation under this Section A.4(h) shall be deemed to occur first. The date upon which the Special Liquidation shall occur is sometimes referred to herein as the "Special Liquidation Date".

(ii) In the absence of an applicable waiver pursuant to Section A.4(h)(i) above, at any time on or after the Special Liquidation Date, an Exisiting Preferred Stockholder shall be entitled to receive the Special Liquidation Price for each such share of Series C Stock, Series B Stock or Series A Stock owned by such holder. Subject to the provisions of Section A.4(h)(iii) hereof, payment of the Special Liquidation Price will be made to each such holder upon actual delivery to the Corporation or its transfer agent of the certificate of such holder representing such shares of Series A Stock, Series B Stock or Series C Stock, as the case may be, or an affidavit of loss as to the same.

(iii) If on the Special Liquidation Date less than all the shares of either Series C Stock, Series B Stock or Series A Stock then outstanding may be legally redeemed by the Corporation, the Special Liquidation shall be made first as to the Series C

Stock pro rata with respect to such Series C Stock based upon the number of outstanding shares of Series C Stock then owned by each such holder thereof until such holders are satisfied in full, then to the holders of the Series B Stock pro rata with respect to such Series B Stock based upon the number of outstanding shares of Series B Stock then owned by each holder thereof, and then to the holders of the Series A Stock pro rata with respect to such Series A Stock based upon the number of outstanding shares of Series A Stock then owned by each holder thereof.

(iv) On and after any Special Liquidation Date, all rights in respect of the shares of Existing Preferred Stock to be redeemed shall cease and terminate except the right to receive the applicable Special Liquidation Price as provided herein, and such shares of Existing Preferred Stock shall

no longer be deemed to be outstanding, whether or not the certificates representing such shares of Existing Preferred Stock have been received by the Corporation; provided, however, that, if the Corporation defaults in the payment of the Special Liquidation Price with respect to any Existing Preferred Stock, the rights of the holder(s) thereof with respect to such shares of Existing Preferred Stock shall continue until the Corporation cures such default.

(v) Anything contained herein to the contrary notwithstanding, all or any of the provisions of this Section A.4(h) may be waived by the Existing Senior Majority, by delivery of written notice of waiver to the Corporation prior to the closing of any Event of Sale.

(vi) Any notice required to be given to the holders of shares of Preferred Stock pursuant to Section A.7(g) hereof in connection with an Event of Sale shall include a statement by the Corporation of (A) the Special Liquidation Price which each Preferred Stockholder shall be entitled to receive upon the occurrence of a Special Liquidation under this Section A.4(h) and (B) the extent to which the Corporation will, if at all, be legally prohibited from paying each holder of Preferred Stock the Special Liquidation Price.

(vii) For purposes of this Section A.4(h), an "Event of Sale" shall mean: (A) the sale by the stockholders of voting control of the Corporation, (B) the merger, consolidation or reorganization with or into any other corporation, entity or person or any other corporate reorganization, in which (I) the capital stock of the Corporation immediately prior to such merger, consolidation or reorganization represents less than 50% of the voting power of the surviving entity (or, if the surviving entity is a wholly owned subsidiary, its parent) immediately after such merger, consolidation or reorganization or (II) the surviving entity (or, if the surviving entity is a wholly owned subsidiary, its parent) has a class of securities that is (or has been within 90 days prior to such transaction) tradeable on any public market or exchange or (C) the sale, exclusive license or other disposition of all or substantially all of the assets or intellectual property of the Corporation in a single transaction or series of related transactions. Notwithstanding the foregoing or anything else expressed or implied herein, the transactions contemplated by the Merger Agreement shall not be an "Event of Sale" for purposes of this Certificate.

5. Redemption.

(a) At the request of the Existing Senior Majority (the "Requesting Holders") made at any time on or after December 15, 2011, the Corporation shall redeem on the Redemption Date, unless otherwise prevented by law, at a redemption price per share equal to the Series C Original Purchase Price for each share of Series C Stock and Series B Original Purchase Price for each share of Series B Stock, plus in each case an amount equal to any declared or accrued but unpaid dividends thereon, all of the Existing Senior Preferred Stock outstanding at the time that such request is made. The total sum payable per share of Existing Senior Preferred Stock on the Redemption Date is hereinafter referred to as the "Redemption Price," and the payment to be made on the Redemption Date is hereinafter referred to as the "Redemption Payment." Notwithstanding any limitations specified in this Section A.5, in the event that the Corporation at any time breaches any of the provisions in the this Certificate or any of its representations, warranties, covenants and/or agreements set forth in (i) that certain Stockholders' Agreement among the Corporation and the parties set forth therein (as amended, the "Stockholders' Agreement") or that certain Series C Convertible Redeemable Preferred Stock Purchase Agreement among the Corporation and the signatories thereto (the "Stock Purchase Agreement"), each as entered into contemporaneously with the filing of the Prior Certificate, or (ii) that certain Series B Convertible

Redeemable Preferred Stock Purchase Agreement dated as of November 14, 2003 among the Corporation and the signatories thereto (as amended, the "Series B Stock Purchase Agreement"), then upon any such breach the Senior Majority may elect, at their sole discretion, if any such breach is not cured by the 60th day after receipt by the Corporation of notice of such breach from a holder, to accelerate the maturity of

the rights of all of the holders under this Section A.5(a) and cause the immediate redemption of all of the shares of Existing Senior Preferred Stock held by them (less any shares that the Corporation is prevented by law from redeeming, which shall be redeemed by the Corporation as soon as permitted under law). With respect to a breach of which the Corporation is aware or reasonably should be aware, such 60 day period within which the Corporation shall have the right to cure such breach shall be deemed to have commenced on the tenth day after the occurrence of such breach, irrespective of notice of such breach from any holder, if the Corporation shall not have notified the holders of such breach by such date.

(b) On and after the Redemption Date, all rights of any Requesting Holder with respect to those shares of Existing Senior Preferred Stock being redeemed by the Corporation pursuant to Section A.5(a), except the right to receive the applicable Redemption Price per share, shall cease and terminate, and such shares of Existing Senior Preferred Stock shall no longer be deemed to be outstanding, whether or not the certificates representing such shares have been received by the Corporation; provided, however, that, notwithstanding anything to the contrary set forth herein, (A) if the Corporation defaults in the payment of the Redemption Payment, the rights of the Requesting Holder with respect to its shares of Existing Senior Preferred Stock shall continue until the Corporation cures such default, and (B) without limiting any other rights of a Requesting Holder, upon the occurrence of a subsequent Liquidation, with respect to the shares of Existing Senior Preferred Stock in respect of which no Redemption Payment has been received by a Requesting Holder, such Requesting Holder shall be accorded the rights and benefits set forth in Section A.4 hereof in respect of such remaining shares, as if no prior redemption request had been made.

(c) If the Requesting Holders elect to exercise redemption rights hereunder, such Requesting Holders shall send notice of such election (the "Redemption Notice") by first-class, certified mail, return receipt requested, postage prepaid, to the Corporation at its principal place of business or to any transfer agent of the Corporation. Within five (5) Business Days after receipt of the Redemption Notice, the Corporation shall notify in writing all other Existing Senior Preferred Stockholders of the request by a Requesting Holder for the redemption of Existing Senior Preferred Stock (the "Corporation Notice"). On the twentieth (20th) Business Day following the date upon which the Corporation received the Redemption Notice, the Corporation shall pay each holder of Existing Senior Preferred Stock the applicable Redemption Price pursuant to the terms of Section A.5(a), provided that the Corporation or its transfer agent has received the certificate(s) representing the shares of Existing Senior Preferred Stock to be redeemed. Such payment date shall be referred to herein as the "Redemption Date." If, on the Redemption Date, less than all the shares of Existing Senior Preferred Stock may be legally redeemed by the Corporation, the redemption of Existing Senior Preferred Stock shall be pro rata according to the respective amounts which would be payable to the Existing Senior Preferred Stockholders in respect of their shares of Existing Senior Preferred Stock if the Redemption Price were paid in full for all such shares, and any shares of Existing Senior Preferred Stock not redeemed shall be redeemed on the first date following such Redemption Date on which the Corporation may lawfully redeem such shares (pro rata according to the respective amounts which would be payable to the Existing Senior Preferred Stockholders in respect of the remaining shares of Existing Senior Preferred Stock if the Redemption Price were paid in full for all such shares). The Corporation shall redeem (to the extent permitted by law) the shares of Existing Senior Preferred Stock on the Redemption Date and the Corporation shall promptly advise each holder of Existing Senior Preferred Stock of the Redemption Date or of the relevant facts applicable thereto preventing such redemption. Upon redemption of only a portion of the number of shares covered by a Existing Senior Preferred Stock certificate, the Corporation shall issue and deliver to or upon the written order of the holder of such Existing Senior Preferred Stock certificate, at the expense of the Corporation, a new certificate covering the number of shares of the Existing Senior Preferred Stock representing the unredeemed portion of the Existing Senior Preferred Stock certificate, which new certificate shall entitle the holder thereof to all the rights, powers and privileges of a holder of such shares.

(d) Shares of the Existing Senior Preferred Stock are not subject to or entitled to the benefit of any sinking fund.

6. Voting.

(a) Subject to any separate voting rights provided for herein or otherwise required by law, for so long as Existing Senior Preferred Stock remains outstanding, the holders of Existing Preferred Stock shall be entitled to vote, together with the holders of Common Stock as one class, on all matters as to which holders of Common Stock shall be entitled to vote, in the same manner and with the same effect as such holders of Common Stock. In any such vote, each share of Existing Preferred Stock shall entitle the holder thereof to the number of votes per share that equals the number of shares of Common Stock (including fractional shares) into which each such share of Preferred Stock is then convertible, rounded up to the nearest one-tenth of a share, but not including any shares of Common Stock issuable upon conversion of any dividends accrued on such Existing Preferred Stock.

(b) In addition to the rights specified in Section A.6(a), for so long as any shares of Existing Senior Preferred Stock are outstanding, the holders of the Existing Senior Preferred Stock, voting as a separate class, shall have the right to elect six (6) members of the Board of Directors of the Corporation (such directors, the "Existing Preferred Directors"). In any election of Existing Preferred Directors pursuant to this Section A.6(b), each holder of Existing Senior Preferred Stock shall be entitled to one vote for each share of Common Stock (including fractional shares) into which each such share of Existing Senior Preferred Stock is then convertible, rounded up to the nearest one-tenth of a share (determined as set forth in the second sentence of Section A.6(a) hereof), and no holder of Existing Senior Preferred Stock shall be entitled to cumulate its votes by giving one candidate more than one vote per share. The voting right of the holders of Existing Senior Preferred Stock, contained in this Section A.6(b), may be exercised at a special meeting of the holders of Existing Senior Preferred Stock called as provided in accordance with the by-laws of the Corporation, at any annual or special meeting of the stockholders of the Corporation, or by written consent of such holders of Existing Senior Preferred Stock in lieu of a meeting. The Existing Preferred Directors elected pursuant to this Section A.6(b) shall serve from the date of their election and qualification until their successors have been duly elected and qualified.

(c) A vacancy in the directorships elected by the holders of Existing Senior Preferred Stock pursuant to Section A.6(b), may be filled by a vote at a meeting called in accordance with the by-laws of the Corporation or written consent in lieu of such meeting of the holders of such Existing Senior Preferred Stock.

(d) For so long as Existing Preferred Stock remains outstanding, the holders of capital stock of the Corporation, voting as a single class, shall elect the remaining member or members of the Board of Directors of the Corporation. In any election of directors pursuant to this Section A.6(d), each stockholder shall be entitled to one vote for each share of Common Stock held or, if Existing Preferred Stock, into which each such share of Existing Preferred Stock is then convertible (determined in accordance with Section A.6(a) hereof), and no stockholder shall be entitled to cumulate its votes by giving one candidate more than one vote per share. The voting right of the stockholders contained in this Section A.6(d) apply only so long as shares of Existing Preferred Stock remains and outstanding and may be exercised at a special meeting of the stockholders called as provided in accordance with the by-laws of the Corporation, at any annual or special meeting of the stockholders of the Corporation, or by written consent of the stockholder in lieu of a meeting. The director or directors elected pursuant to this Section A.6(d) shall serve from the date of their election and qualification until their successors have been duly elected and qualified.

(e) A vacancy in the directorship or directorships elected by the stockholders pursuant to Section A.6(d), may be filled by a vote at a meeting called in accordance with the by-laws of the Corporation or written consent in lieu of such meeting of the stockholders of the Corporation.

(f) For so long as shares of Existing Preferred Stock are outstanding, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of the Existing Senior Majority, acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation ("Notice") shall have been given to each holder of such Existing Senior Preferred Stock, do the following:

(i) sell, abandon, transfer, lease or otherwise dispose of all or substantially all of its or any subsidiary' s properties or assets;

(ii) sell, abandon, transfer, exclusively license or otherwise dispose of or encumber any of its material intellectual property;

(iii) purchase, lease or otherwise acquire all or substantially all of the assets of another entity or acquire the securities of any other entity;

(iv) except as otherwise required by this Certificate or as contemplated in the Series A-1 Purchase Agreement, alter the rights, preferences or privileges of or reclassify any of its or its subsidiaries' securities or declare or pay any dividend or make any distribution with respect to shares of its capital stock (whether in cash, shares of capital stock or other securities or property);

(v) except as otherwise required by this Certificate or as contemplated in the Series A-1 Purchase Agreement, make any payment on account of the purchase, redemption, or other retirement of any share of capital stock of the Corporation or any subsidiary, or distribute to holders of Series B Stock, Series A Stock or Common Stock shares of the Corporation' s capital stock (other than Common Stock in connection with a stock split by way of stock dividend) or other securities of other entities, evidences of indebtedness issued by the Corporation or other entities, or other assets or options or rights other than the repurchase of shares of Common Stock issued pursuant to the Corporation' s 2003 Long-Term Incentive Plan, as amended, for employees or consultants;

(vi) except as contemplated by the Merger Agreement (as defined herein) merge, consolidate or reorganize with or into, or permit any subsidiary to merge, consolidate or reorganize with or into, any other corporation or corporations or other entity or entities;

(vii) voluntarily dissolve, liquidate or wind-up or carry out any partial liquidation or distribution or transaction in the nature of a partial liquidation or distribution;

(viii) except as otherwise required by this Certificate or as contemplated in the Series A-1 Purchase Agreement, in any manner alter or change the designations, powers, preferences, rights, qualifications, limitations or restrictions of the Series C Stock or Series B Stock;

(ix) take any action to cause any amendment, alteration or repeal of any of the provisions of this Certificate or the by-laws of the Corporation or the organizational documents of the Corporation' s subsidiaries if any;

(x) except as otherwise required by this Certificate or as contemplated in the Series A-1 Purchase Agreement and except for the issuance of capital stock or other securities constituting shares of Excluded Stock (as defined in Section A.7(e)(ii) below), authorize, designate, create, increase or decrease the authorized number of, reclassify, or issue or agree to issue any equity or debt security of the Corporation or any subsidiary or any security, right, option or warrant convertible into, or exercisable or exchangeable for, shares of the capital stock of the Corporation or any capitalized lease with an equity feature with respect to the capital stock of the Corporation;

(xi) adopt, approve, amend or modify any stock option plan of the Corporation or adopt, approve amend or modify the form of any stock option agreement or restricted stock purchase agreement, or amend or modify any stock option agreement or restricted stock purchase agreement entered into between the Corporation and its employees, directors or consultants except for immaterial changes made thereto from time to time by officers of the Corporation;

(xii) accelerate the vesting schedule or exercise date or dates of any such options or in any stock option agreement or restricted stock purchase agreement entered into between the Corporation and its directors, officers, employees, consultants or independent contractors, or waive or modify the Corporation' s repurchase rights with respect to any shares of the Corporation' s stock issuable pursuant to

any restricted stock purchase agreement entered into between the Corporation and its directors, officers, employees, consultants or independent contractors;

(xiii) grant any stock options with an exercise price per share that is less than the fair market value of such share on the date of such grant (as determined by the Board of Directors of the Corporation) or issue or sell capital stock of the Corporation pursuant to restricted stock awards or restricted stock purchase agreements at a price per share less than the fair market value of such share on the date of such issuance or sale (as determined by the Board of Directors of the Corporation);

(xiv) increase the number of shares of Common Stock authorized for issuance under the Corporation' s 2003 Long-Term Incentive Plan, as amended;

(xv) except as otherwise required by this Certificate or as contemplated in the Series A-1 Purchase Agreement, increase or decrease the authorized number of the members of the Board of Directors;

(xvi) participate or allow any subsidiary to participate in any business other than which it is engaged as of the date of this Certificate or subsequent to the date of this Certificate as approved by the Board of Directors; or

(xvii) incur any indebtedness by the Corporation or any subsidiary above and beyond the amounts set forth herein, in the Series A-1 Purchaser Agreement or in the Stockholders' Agreement.

The foregoing approval shall be obtained in addition to any approval required by law.

(g) The Corporation shall obtain the consent of the Board of Directors before it may authorize or issue any additional shares of capital stock of the Corporation, other than the issuance of any shares of New Preferred Stock as contemplated by this Certificate or the Series A-1 Purchase Agreement, or any of its subsidiaries.

7. Conversion.

(a) Any Existing Preferred Stockholder shall have the right, at any time or from time to time, to convert any or all of its shares of Existing Preferred Stock into that number of fully paid and nonassessable shares of Common Stock for each share of Existing Preferred Stock so converted equal to the quotient of the Series A Original Purchase Price, Series B Original Purchase Price or Series C Original Purchase Price, as applicable, for such share divided by the Series A Conversion Price, the Series B Conversion Price or the Series C Conversion Price (each as defined in Section A.7(e) hereof), as applicable, for such share of Existing Preferred Stock, as last adjusted and then in effect, rounded up to the nearest one-tenth of a share; provided, however, that cash shall be paid in lieu of the issuance of fractional shares of Common Stock, as provided in Section A.7(d) hereof.

(b) (i) Any Existing Preferred Stockholder who exercises the right to convert shares of Existing Preferred Stock into shares of Common Stock, pursuant to this Section A.7 shall be entitled to payment of all accrued dividends, whether or not declared and all declared but unpaid dividends payable with respect to such Existing Preferred Stock pursuant to Section A.3 herein, up to and including the Conversion Date (as defined in Section A.7(b)(iii) hereof).

(ii) Any Existing Preferred Stockholder may exercise the right to convert such shares into Common Stock pursuant to this Section A.7 by delivering to the Corporation during regular business hours, at the office of the Corporation or any transfer agent of the Corporation or at such other place as may be designated by the Corporation, the certificate or certificates for the shares to be converted (the "Existing Preferred Certificate"), duly endorsed or assigned in blank to the Corporation (if required by it) or an affidavit of loss as to the same.

(iii) Each Existing Preferred Certificate shall be accompanied by written notice stating that such holder elects to convert such shares and stating the name or names (with address) in which the certificate or certificates for the shares of Common Stock (the "Common Certificate") are to be issued. Such conversion shall be deemed to have been effected on the date when such delivery is made, and such date is referred to herein as the "Conversion Date."

(iv) As promptly as practicable thereafter, the Corporation shall issue and deliver to or upon the written order of such holder, at the place designated by such holder, (A) a Common Certificate for the number of full shares of Common Stock to which such holder is entitled and (B) a check or cash in respect of any fractional interest in shares of Common Stock to which such holder is entitled, as provided in Section A.7(d) hereof, payable with respect to the shares so converted up to and including the Conversion Date.

(v) The person in whose name the Common Certificate or Certificates are to be issued shall be deemed to have become a holder of record of Common Stock on the applicable Conversion Date, unless the transfer books of the Corporation are closed on such Conversion Date, in which event the holder shall be deemed to have become the stockholder of record on the next succeeding date on which the transfer books are open, provided that the Series A Conversion Price, Series B Conversion Price or Series C Conversion Price, as applicable, upon which the conversion shall be executed shall be that in effect on the Conversion Date.

(vi) Upon conversion of only a portion of the number of shares covered by an Existing Preferred Certificate, the Corporation shall issue and deliver to or upon the written order of the holder of such Existing Preferred Certificate, at the expense of the Corporation, a new certificate covering the number of shares of Existing Preferred Stock representing the unconverted portion of the Existing Preferred Certificate, which new certificate shall entitle the holder thereof to all the rights, powers and privileges of a holder of such Existing Preferred Stock.

(c) If an Existing Preferred Stockholder shall surrender more than one share of the same class of Existing Preferred Stock for conversion at any one time, then the number of full shares of Common Stock issuable upon conversion thereof shall be computed on the basis of the aggregate number of shares of Existing Preferred Stock so surrendered.

(d) No fractional shares of Common Stock shall be issued upon conversion of Existing Preferred Stock. The Corporation shall instead pay a cash adjustment for any such fractional interest in an amount equal to the Current Market Price thereof on the Conversion Date, as determined in accordance with Section A.7(e)(vii) hereof.

(e) For all purposes of this Article III, Part A, the initial conversion price of the Series A Stock shall be the Series A Original Purchase Price, the initial conversion price of the Series B Stock shall be the Series B Original Purchase Price and the initial conversion price of the Series C Stock shall be the Series C Original Purchase Price, in each case subject to adjustment from time to time as follows (the conversion price of any or each of the Series A Stock, Series B Stock and the Series C Stock, as adjusted from time to time, is sometimes referred to generically in this Section A.7 as the "Conversion Price"):

(i) Subject to Section A.7(e)(ii) and A.7(e)(x) below, if the Corporation shall, at any time or from time to time after the Effective Time, issue or sell any shares of Common Stock (which term, for purposes of this Section A.7(e)(i), including all subsections thereof, shall be deemed to include all other securities convertible into, or exchangeable or exercisable for, shares of Common Stock (including, but not limited to, Existing Preferred Stock) or options to purchase or other rights to subscribe for such convertible or exchangeable securities, in each case other than Excluded Stock (as defined in Section A.7(e)(ii) below), for a consideration per share less than the Series C Conversion Price in effect immediately prior to the issuance of such Common Stock or other securities (a "Dilutive Issuance"), then (X) the Conversion Price for the Series A Stock (the "Series A Conversion Price") in effect immediately prior to each such Dilutive Issuance shall automatically be reduced to a price equal to the product obtained by multiplying such Series A Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Existing Preferred Stock, upon exercise of outstanding stock options and warrants or otherwise under Section A.7(e)(i)(d)) plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for the additional stock so issued would purchase at such Series C Conversion Price as in

effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Existing Preferred Stock, upon exercise of outstanding stock options or otherwise under Section A.7(e)(i)(d)) plus the number of shares of additional stock so issued, (Y) the Conversion Price for the Series B Stock (the "Series B Conversion Price") in effect immediately prior to each such Dilutive Issuance shall automatically be reduced to a price equal to the product obtained by multiplying such Series B Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Existing Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Existing Preferred Stock) plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for the additional stock so issued would purchase at such Series C Conversion Price as in effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Existing Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of

additional stock so issued, and (Z) the Conversion Price for the Series C Stock (the "Series C Conversion Price") in effect immediately prior to each such Dilutive Issuance shall automatically be reduced to a price equal to the product obtained by multiplying such Series C Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Existing Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Existing Preferred Stock) plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for the additional stock so issued would purchase at such Series C Conversion Price as in effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Existing Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Existing Preferred Stock) plus the number of shares of additional stock so issued. For purposes of this Section A.7(e)(i), the number of shares of Common Stock deemed issuable upon conversion of such outstanding shares of Existing Preferred Stock shall be determined without giving effect to any adjustments to the applicable Conversion Price resulting from the Dilutive Issuance that is the subject of this calculation. For the purposes of any adjustment of the Conversion Price pursuant to this Section A.7(e)(i), the following provisions shall be applicable.

a. In the case of the issuance of Common Stock in whole or in part for cash, the consideration shall be deemed to be the amount of cash paid therefor after deducting therefrom any discounts, commissions or other expenses allowed, paid or incurred by the Corporation for any underwriting or otherwise in connection with the issuance and sale thereof, plus the value of any property other than cash received by the Corporation, determined as provided in Section A.7(e)(i)(b) hereof, plus the value of any other consideration received by the Corporation determined as set forth in Section A.7(e)(i)(c) hereof.

b. In the case of the issuance of Common Stock for a consideration in whole or in part in property other than cash, the value of such property other than cash shall be deemed to be the fair market value of such property as determined in good faith by the Board of Directors, irrespective of any accounting treatment; provided, however, that such fair market value of such property as determined by the Board of Directors shall not exceed the aggregate Current Market Price (as defined in Section A.7(e)(viii) hereof) of the shares of Common Stock or such other securities being issued, less any cash consideration paid for such shares, determined as provided in Section A.7(e)(i)(a) hereof and less any other consideration received by the Corporation for such shares, determined as set forth in Section A.7(e)(i)(c) hereof.

c. In the case of the issuance of Common Stock for consideration in whole or in part other than cash or property, the value of such other consideration shall be deemed to be the aggregate par value of such Common Stock (or the aggregate stated value if such Common Stock has no par value).

d. In the case of the issuance of options or other rights to purchase or subscribe for Common Stock or the issuance of securities by their terms convertible into or exchangeable or exercisable for Common Stock or options to purchase or other rights to subscribe for such convertible or exchangeable or exercisable securities:

i. the aggregate maximum number of shares of Common Stock deliverable upon exercise of such options to purchase or rights to subscribe for Common Stock shall be deemed to have been issued at the time such options or rights were issued and for a consideration equal to the consideration (determined in the manner provided in Sections A.7(e)(i)(a), (b)

and (c) hereof), if any, received by the Corporation upon the issuance of such options or rights plus the minimum purchase price provided in such options or rights for the Common Stock covered thereby (the consideration in each case to be determined in the manner provided in Sections A.7(e)(i)(a), (b) and (c) hereof);

ii. the aggregate maximum number of shares of Common Stock deliverable upon conversion of, or in exchange for, any such convertible or exchangeable securities or upon the exercise of options to purchase or rights to subscribe for such convertible or exchangeable securities and subsequent conversion or exchange thereof shall be deemed to have been issued at the time such securities were issued or such options or rights were issued and for a consideration equal to the consideration received by the Corporation for any such securities and related options or rights (excluding any cash received on account of accrued interest or accrued dividends), plus the minimum additional consideration, if any, to be received by the Corporation upon the conversion or exchange of such securities or the exercise of any related options or rights (the consideration in each case to be determined in the manner provided in Sections A.7(e)(i)(a), (b) and (c) hereof);

iii. if there is any change (whether automatic pursuant to the terms contained therein or as a result of the amendment of such terms) in the exercise price of, or number of shares deliverable upon exercise of, any such options or rights or upon the conversion or exchange of any such convertible or exchangeable securities (other than a change resulting from the original antidilution provisions thereof in place at the time of issuance of such security), then the applicable Conversion Price shall automatically be readjusted in proportion to such change (notwithstanding the foregoing, no adjustment pursuant to this clause shall have the effect of increasing the applicable Conversion Price to an amount which exceeds the lower of (i) the applicable Conversion Price on the original adjustment date, or (ii) the applicable Conversion Price that would have resulted from any Dilutive Issuances between the original adjustment date and such readjustment date);

iv. upon the expiration of any such options or rights or the termination of any such rights to convert or exchange such convertible or exchangeable securities (or in the event that the change that precipitated an adjustment pursuant to Section A.7(e)(i)(d)(iii) hereof is reversed or terminated, or expires), then the applicable Conversion Price shall be automatically readjusted to the applicable Conversion Price that would have been obtained had such options, rights or convertible or exchangeable securities not been issued; and

v. if the terms of any option or convertible security (excluding options or convertible securities which, upon exercise, conversion or exchange thereof, would entitle the holder thereof to receive shares of Common Stock which are Excluded Stock), the issuance of which was not a Dilutive Issuance, are revised after the Original Issuance Date (either automatically pursuant the provisions contained therein or as a result of an amendment to such terms) to provide for either (1) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such option or convertible security or (2) any decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such option or convertible security, as so amended, and the shares of Common Stock subject thereto shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(ii) "Excluded Stock" shall mean:

a. Common Stock issued upon conversion of any shares of Existing Preferred Stock, including any shares of Common Stock issuable upon conversion of any dividends accrued on such Existing Preferred Stock;

b. Common Stock issued or issuable to officers, directors or employees of or consultants or independent contractors to the Corporation, pursuant to any written agreement, plan or arrangement to purchase, or rights to subscribe for, such Common Stock, including Common Stock issued under the Corporation' s 2003 Long-Term Incentive Plan, as amended, or other equity incentive plan or other agreements that have been approved in form and in substance by the Existing Senior Majority, calculated in accordance with Section A.6(a) of Article III herein (including, in such calculation, any outstanding restricted stock awards held by such holders), and which, as a condition precedent to the issuance of such shares, provide for the vesting of such shares and subject such shares to restrictions on transfer and rights of first offer in favor of the Corporation, and restricted stock grants to directors, employees or consultants as approved by the Board of Directors of the Corporation; provided, however, that the maximum number of shares of Common Stock heretofore or hereafter issuable pursuant to the Corporation' s 2003 Long-Term Incentive Plan, as amended, and all such agreements, plans and arrangements shall not exceed 2,015,666 shares of Common Stock;

c. Common Stock issued as a stock dividend or distribution on the Existing Preferred Stock payable in shares of Common Stock, or capital stock of any other class issuable upon any subdivision, recombination, split-up or reverse stock split of all the outstanding shares of such class of capital stock;

d. Common Stock or other securities issued or issuable to banks, lenders or landlords, provided that each such issuance is approved by the Board of Directors, including, but not limited to, warrants to acquire Common Stock held by Silicon Valley Bank (or its affiliates, successors and assignees), warrants to purchase Preferred Stock issued or to be issued to GE Healthcare Financial Services, Inc. ("GEHFS") and Oxford Finance Corporation ("OFC") pursuant to a proposed debt financing approved by the Board of Directors (the "GE Financing"), shares of Preferred Stock issued or issuable to GE in connection with the GE Financing or upon exercise by GEHFS or OFC of warrants issued in the GE Financing and shares of common stock issuable upon conversion of any such shares of Preferred Stock issued to GEHFS or OFC pursuant to the GE Financing;

e. Common Stock or other securities issued or issuable to third parties in connection with strategic partnerships or alliances, corporate partnerships, joint ventures or other licensing transactions, provided that each such transaction and related issuance is approved by the Board of Directors, including, but not limited to, (A) any shares of Preferred Stock or Common Stock issued or issuable to Ipsen Pharma SAS ("Ipsen"), pursuant to the terms of that certain License Agreement, as amended and may be amended with the approval of the Board of Directors of the Corporation and in effect from time to time, by and between the Corporation and Ipsen as payment milestones in lieu of cash payments and (B) hares of Series A-5 Stock issued or issuable pursuant to that certain Stock Issuance Agreement as of March 29, 2011 by and between the Corporation and Nordic Bioscience and the letter agreement as of March 29, 2011 by and between the Corporation and Nordic Bioscience, pursuant to which the Corporation will issue shares of the Corporation' s Series A-5 Convertible Preferred Stock, $0.01 par value per share and the issuance of Series A-6 Stock issued or to be issued as dividends on such Series A-5 Stock, and shares of Common Stock issuable upon conversion of any such shares of Series A-5 Stock and Series A-6 Stock;

f. Common Stock or other securities issued or issuable pursuant to the acquisition by the Corporation of any other corporation, partnership, joint venture, trust or other entity by any merger, stock acquisition, reorganization, or purchase of substantially all assets or otherwise in which the Corporation or its stockholders of record immediately prior to the effective date of such transaction, directly or indirectly, own at least a majority of the voting power of the acquired entity or the resulting entity after such transaction, in each case so long as approved by the Board of Directors;

g. Common Stock or other securities, the issuance of which is approved by the Existing Senior Majority, with such approval expressly waiving the application of the anti-dilution provisions of this Section A.7 as a result of such issuance;

h. Preferred Stock (and Common Stock issuable upon conversion of such Preferred Stock) or Common Stock issued or issuable pursuant to any warrant outstanding as of the date hereof or any warrant and any shares of Preferred Stock or common stock, or common stock issued upon exercise of any Preferred Stock, issued in connection with the Qualified Financing, including, but not limited to a warrant for shares of Series A-1 Preferred Stock issued or issuable to Leerink Swan, any shares of Preferred Stock or Common Stock upon exercise thereof and any Common Stock issuable upon conversion of such Preferred Stock issued upon exercise thereof;

j. All shares of Preferred Stock issued in connection with the Qualified Financing as provided in this Certificate and the Series A-1 Purchase Agreement, and all shares of Common Stock issued or issuable upon conversion of any such shares of Preferred Stock.

(iii) If the number of shares of Common Stock outstanding at any time after the Effective Time is increased by a stock dividend payable in shares of Common Stock or by a subdivision or split-up of shares of Common Stock, then, following the record date fixed for the determination of holders of Common Stock entitled to receive such stock dividend, subdivision or split-up, the applicable Conversion Price shall be appropriately decreased in the form of a Proportional Adjustment (as defined in Section A.8) so that the number of shares of Common Stock issuable on conversion of each share of Existing Preferred Stock shall be increased in proportion to such increase in outstanding shares.

(iv) If the number of shares of Common Stock outstanding at any time after the Effective Time is decreased by a combination of the outstanding shares of Common Stock (other than pursuant to the Reverse Split), then, following the record date for such combination, the applicable Conversion Price shall be appropriately increased in the form of a Proportional Adjustment so that the number of shares of Common Stock issuable on conversion of each share of Existing Preferred Stock shall be decreased in proportion to such decrease in outstanding shares.

(v) Except as contemplated in Certificate and the Series A-1 Purchaser Agreement, if at any time after the Effective Time, the Corporation shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation (other than shares of Common Stock) or in cash or other property, then and in each such event provision shall be made so that the holders of the Existing Preferred Stock shall receive upon conversion thereof in addition to the number of shares of Common Stock receivable thereupon, the kind and amount of securities of the Corporation, cash or other property which they would have been entitled to receive had the Existing Preferred Stock been converted into Common Stock on the date of such event and had they thereafter, during the period from the date of such event to and including the conversion date, retained such securities receivable by them as aforesaid during such period, giving application to all adjustments called for during such period under this paragraph with respect to the rights of the holders of the Existing Preferred Stock; and provided further, however, that no such adjustment shall be made if the holders of Existing Preferred Stock simultaneously receive a dividend or other distribution of such securities, cash, or other property in an amount equal to the amount of such securities, cash, or other property as they would have received if all outstanding shares of Existing Preferred Stock had been converted into Common Stock on the date of such event.

(vi) Subject to the provisions of Section A.4(h) above, in the event, at any time after the Effective Time, of any capital reorganization, or any reclassification of the capital stock of the

Corporation (other than pursuant to the Reverse Split, other than as contemplated under this Certificate and the Series A-1 Purchase Agreement and other than a change in par value or from par value to no par value or from no par value to par value or as a result of a stock dividend or subdivision, split-up or combination of shares), or the consolidation or merger of the Corporation with or into another person (other than pursuant to the Merger Agreement and other than any consolidation or merger in which the Corporation is the continuing

corporation and which does not result in any change in the powers, designations, preferences and rights, or the qualifications, limitations or restrictions, if any, of the capital stock of the Corporation) or of the sale or other disposition of all or substantially all the properties and assets of the Corporation in their entirety to any other person (any such transaction, an "Extraordinary Transaction"), then the Corporation shall provide appropriate adjustment in the form of a Proportional Adjustment to the applicable Conversion Price with respect to each share of Existing Preferred Stock outstanding after the effectiveness of such Extraordinary Transaction (excluding any Existing Preferred Stock redeemed pursuant to Section A.5 hereof in connection therewith) such that each share of Existing Preferred Stock outstanding immediately prior to the effectiveness of the Extraordinary Transaction (other than shares redeemed pursuant to Section A.5 hereof) shall be convertible into the kind and number of shares of stock or other securities or property of the Corporation, or of the corporation resulting from or surviving such Extraordinary Transaction, that a holder of the number of shares of Common Stock deliverable (immediately prior to the effectiveness of the Extraordinary Transaction) upon conversion of such share of Existing Preferred Stock would have been entitled to receive upon such Extraordinary Transaction. The provisions of this Section A.7(e)(v) shall similarly apply to successive Extraordinary Transactions.

(vii) All calculations under this Section A.7(e) shall be made to the nearest one-tenth of a cent ($.001) or to the nearest one-tenth of a share, as the case may be.

(viii) For the purpose of any computation pursuant to Section A.7(d) hereof or this Section A.7(e), the Current Market Price at any date of one share of Common Stock shall be defined as the average of the daily closing prices for the 30 consecutive Business Days ending on the fifth (5th) Business Day before the day in question (as adjusted for any stock dividend, split-up, combination or reclassification that took effect during such 30 Business Day period), determined as follows:

a. If the Common Stock is listed or admitted for trading on a national securities exchange, then the closing price for each day shall be the last reported sales price regular way or, in case no such reported sales took place on such day, the average of the last reported bid and asked prices regular way, in either case on the principal national securities exchange on which the Common Stock is listed or admitted to trading.

b. If the Common Stock is not at the time listed or admitted for trading on any such exchange, then such price shall be equal to the last reported bid and asked prices on such day as reported by the NASD OTCBB or the National Quotation Bureau, Inc., or any similar reputable quotation and reporting service if such quotation is not reported by the NASD OTCBB or the National Quotation Bureau, Inc.

c. If the Common Stock is not traded in such manner that the quotations referred to in this Section A.7(d)(viii) are available for the period required hereunder, then the Current Market Price shall be the fair market value of such share, as determined in good faith by a majority of the entire Board of Directors.

(ix) In any case in which the provisions of this Section A.7(e) shall require that an adjustment shall become effective immediately after a record date for an event, the Corporation may defer until the occurrence of such event (A) issuing to the holder of any shares of Existing Preferred Stock

converted after such record date and before the occurrence of such event the additional shares of capital stock issuable upon such conversion by reason of the adjustment required by such event over and above the shares of capital stock issuable upon such conversion before giving effect to such adjustment, and (B) paying to such holder any cash amounts in lieu of fractional shares pursuant to Section A.7(d) hereof; provided, however, that the Corporation shall deliver to such holder a due bill or other appropriate instrument evidencing such holder' s right to receive such additional shares and such cash upon the occurrence of the event requiring such adjustment.

(x) If a state of facts shall occur that, without being specifically controlled by the provisions of this Section A.7, would not fairly protect the conversion rights of the holders of the Existing Preferred Stock in accordance with the essential intent and principles of such provisions, then the Board of Directors shall make an adjustment in the application of such provisions, in accordance with such essential intent and principles, so as to protect such conversion rights.

(xi) Notwithstanding the foregoing, there shall be no adjustment to the Conversion Price for any issuance or deemed issuance of any shares of Common Stock (which term, for purposes of this Section A.7(e)(x), including all subsections thereof, shall be deemed to include all securities convertible into, or exchangeable or exercisable for, whether directly or indirectly, shares of Common Stock) for a consideration per share greater than the Series C Original Purchase Price.

(f) Whenever the applicable Conversion Price shall be adjusted as provided in Section A.7(e) hereof, the Corporation shall forthwith file and keep on record at the office of the Secretary of the Corporation and at the office of its transfer agent or at such other place as may be designated by the Corporation, a statement, signed by both its President or Chief Executive Officer and its Treasurer or Chief Financial Officer, showing in detail the facts requiring such adjustment and the applicable Conversion Price that shall be in effect after such adjustment. The Corporation shall also cause a copy of such statement to be sent by first-class, certified mail, return receipt requested, postage prepaid, to each Existing Preferred Stockholder at such holder' s address appearing on the Corporation' s records. Where appropriate, such copy shall be given in advance of any such adjustment and shall be included as part of a notice required to be mailed under the provisions of Section A.7(g) hereof.

(g) In the event the Corporation shall propose to take any action of the types described in Section A.7(e)(i), (iii), (iv) or (v) hereof, or any other Event of Sale, the Corporation shall give notice to each Existing Preferred Stockholder in the manner set forth in Section A.7(f) hereof, which notice shall specify the record date, if any, with respect to any such action and the date on which such action is to take place. Such notice shall also set forth such facts with respect thereto as shall be reasonably necessary to indicate the effect of such action (to the extent such effect may be known at the date of such notice) on the applicable Conversion Price with respect to the Existing Preferred Stock, and the number, kind or class of shares or other securities or property which shall be deliverable or purchasable upon each conversion of Preferred Stock. In the case of any action that would require the fixing of a record date, such notice shall be given at least 20 days prior to the record date so fixed, and in the case of any other action, such notice shall be given at least 30 days prior to the taking of such proposed action.

(h) The Corporation shall pay all documentary, stamp or other transactional taxes attributable to the issuance or delivery of shares of capital stock of the Corporation upon conversion of any shares of Existing Preferred Stock; provided, however, that the Corporation shall not be required to pay any taxes which may be payable in respect of any transfer involved in the issuance or delivery of any certificate for such shares in a name other than that of the Existing Preferred Stockholder in respect of which such shares of Existing Preferred Stock are being issued.

(i) The Corporation shall reserve out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the Existing Preferred Stock, sufficient shares of Common Stock to provide for the conversion of all outstanding shares of Existing Preferred Stock.

(j) All shares of Common Stock which may be issued in connection with the conversion provisions set forth herein will, upon issuance by the Corporation, be validly issued, fully paid and nonassessable, not subject to any preemptive or similar rights, and free from all taxes, liens or charges with respect thereto created or imposed by the Corporation.

(k) Upon the consummation of a qualified firm commitment underwritten public offering of Common Stock of the Corporation registered under the Securities Act of 1933, as amended, pursuant to which (i) the Company valuation prior to the offering is equal to or greater than $200 million and (ii) the aggregate gross proceeds to the Corporation (before deduction of underwriters commissions and expenses) are at least $40 million (a "Qualified Public Offering"), each share of Existing Preferred Stock then outstanding shall, by virtue of and immediately prior to the closing of such qualified firm commitment public offering and without any action on the part of the holder thereof, be deemed automatically converted into that number of shares of Common Stock of which the Existing Preferred Stock would be convertible if such conversion were to occur immediately prior to closing of the Qualified Public Offering. The holder of any shares of Existing Preferred Stock converted into Common Stock pursuant to this Section A.7(k) shall be entitled to payment of all declared or accrued but unpaid dividends, if any, payable on or with respect to such shares up to and including the date of the closing of such Qualified Public Offering which shall be deemed the Conversion Date for purposes of this Section A.7(k).

8. Definitions. As used in this Part A of Article III of this Certificate, the following terms shall have the corresponding meanings:

"Business Day" shall mean any day other than a Saturday, Sunday or day on which banks are closed in the city and state where the principal executive office of the Corporation is located.

"Series A Original Purchase Price" shall mean, with respect to the Series A Stock and after giving effect to the Reverse Split, $15.00 per share, subject, for all purposes other than Section A.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series B Original Purchase Price" shall mean, with respect to the Series B Stock and after giving effect to the Reverse Split, $15.00 per share, subject, for all purposes other than Section A.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series C Original Purchase Price" shall mean, with respect to the Series C Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section A.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Proportional Adjustment" shall mean an adjustment made to the price of the Preferred Stock upon the occurrence of a stock split, reverse stock split, stock dividend, stock combination reclassification or other similar change with respect to such security, such that the price of one share of the Preferred Stock before the occurrence of any such

change shall equal the aggregate price of the share (or shares or fractional share) of such security (or any other security) received by the holder of the Preferred Stock with respect thereto upon the effectiveness of such change. Notwithstanding the foregoing, the Reverse Split shall not rigger or give rise to any Proportional Adjustment.

9. Forced Conversion in the Qualified Financing.

(a) Definitions. For purposes of this Section A.9 of Article III, the following definitions shall apply:

(i) "Applicable Portion" shall mean that percentage of a holder of Existing Preferred Stock' s Pro Rata Portion not committed to be purchased by such holder in the Qualified Financing.

(ii) "Offered Securities" shall mean the Series A-1 Stock offered for sale in the Qualified Financing.

(iii) "Pro Rata Portion" shall mean, with respect to any holder of Existing Preferred Stock, that percentage figure which expresses the ratio that (A) the number of shares of issued and outstanding Common Stock owned by such holder of Existing Preferred Stock as of March 31, 2011 (or, in the case of a holder of Existing Preferred Stock who received all of its shares of Existing Preferred Stock in a transfer from a former holder of Existing Preferred Stock occurring after March 31, 2011, the number shares of issued and outstanding Common Stock owned by such former holder of Existing Preferred Stock as of March 31, 2011) bears to (B) the aggregate number of shares of issued and outstanding Common Stock owned as of such date by all holders of Existing Preferred Stock. For purposes of the computation set forth in clauses (A) and (B) above, all issued and outstanding securities held by holders of Existing Preferred Stock (or former holders of Existing Preferred Stock, as applicable, under clause (A) above) that are convertible into or exercisable or exchangeable for shares of Common Stock (including any issued and issuable shares of Existing Preferred Stock) or for any such convertible, exercisable or exchangeable securities, shall be treated as having been so converted, exercised or exchanged at the rate or price at which such securities are convertible, exercisable or exchangeable for shares of Common Stock in effect at the time in question, whether or not such securities are at such time immediately convertible, exercisable or exchangeable.

(iv) "Qualified Financing" shall mean the transaction involving the issuance of shares of Series A-1 Stock pursuant to the terms of the Series A-1 Purchase Agreement.

(v) "Series A-1 Offering Existing Investor Available Amount" means Thirty Five Million Dollars ($35,000,000) of the total amount of Offered Securities in the Qualified Financing.

(vi) "Series A-1 Purchase Agreement" shall mean that certain Series A-1 Convertible Preferred Stock Purchase Agreement dated as of April 25, 2011 by and among the Corporation and the "Investors" party thereto.

(b) Conversion of Existing Preferred Stock to Common Stock in Connection with the Qualified Financing. In the event that an Existing Preferred Stockholder does not participate in the Qualified Financing by committing to purchase and purchasing (or securing an investor who commits to purchase and purchases), pursuant to the terms of the Series A-1 Purchase Agreement, in the Qualified Financing in the aggregate and within the time period specified in the Series A-1 Purchase Agreement such holder' s Pro Rata Portion of the Series A-1 Offering Existing Investor Available Amount, then the Applicable Portion of each series of Existing Preferred Stock held by such holder shall automatically, and without any further action on the part of such holder, be converted into shares of Common Stock at a rate

of 1 share of Common Stock for every 5 shares of Existing Preferred Stock to be so converted and all accrued dividends on such shares of Existing Preferred Stock shall be forfeited. The conversion set forth in this paragraph (b) is referred to as the "Forced Conversion". The Forced Conversion shall become effective immediately prior to, but subject to the consummation of, the Stage I Closing (as defined in the Series A-1 Purchase Agreement).

(c) Conversion of Series C Stock to Series A-2 Stock in the Qualified Financing. Each share of Series C Stock that remains outstanding after the Forced Conversion shall, immediately following the Forced Conversion and upon the consummation of the Stage I Closing, automatically, and without any further action by any holder thereof, be reclassified and converted into one (1) share of Series A-2 Stock and all accrued dividends on such reclassified shares of Series C Stock shall be forfeited.

(d) Conversion of Series B Stock to Series A-3 Stock in the Qualified Financing. Each share of Series B Stock that remains outstanding after the Forced Conversion shall, immediately following the Forced Conversion and upon the consummation of the Stage I Closing, automatically, and without any further action by any holder thereof, be reclassified and converted into one (1) share of Series A-3 Stock and all accrued dividends on such reclassified shares of Series B Stock shall be forfeited.

(e) Conversion of Series A Stock to Series A-4 Stock in the Qualified Financing. Each share of Series A Stock that remains outstanding after the Forced Conversion shall, immediately following the Forced Conversion and upon the consummation of the Stage I Closing, automatically, and without any further action by any holder thereof, be reclassified and converted into one (1) share of Series A-4 Stock.

(f) Procedure. Immediately following the Stage I Closing, all stock certificates representing shares of Existing Preferred Stock shall be deemed cancelled and shall thereafter be deemed to evidence only (i) the number of shares of Common Stock into which such shares of Existing Preferred Stock were converted as a result of the Forced Conversion or (ii) the number of shares of Series A-2 Stock, Series A-3 or Series A-4 Stock into which such shares of Existing Preferred Stock were reclassified and converted pursuant to the foregoing provisions of this Section A.9 of Article III. Each holder of a certificate or certificates that, immediately before the Stage I Closing, represented shares of Existing Preferred Stock shall, as soon as practicable after the Stage I Closing, surrender such certificate or certificates, duly endorsed for transfer or with duly executed stock transfer powers sufficient to permit transfers attached, at the office of the Corporation or any transfer agent for such shares of Existing Preferred Stock (or such holder shall notify the Corporation or any transfer agent that such certificate or certificates have been lost, stolen or destroyed and shall execute an agreement reasonably satisfactory to the Corporation to indemnify the Corporation from any loss incurred by it in connection therewith). The Corporation shall, as soon as practicable thereafter, issue and deliver at such office to such holder, or to such holder' s nominee or nominees, a certificate or certificates for the number of shares of Common Stock into which such holder' s shares of Existing Preferred Stock were converted pursuant to the Forced Conversion or shares of

Series A-2 Stock, Series A-3 or Series A-4 Stock, as applicable, to which such holder shall be entitled as aforesaid. From and after the Stage I Closing, each stock certificate that, prior to the Stage I Closing, represented shares of Existing Preferred Stock that were converted into Common Stock pursuant to the Forced Conversion or reclassified and converted into shares of Series A-2 Stock, Series A-3 or Series A-4 Stock as provided above shall, until its surrender, be deemed to represent the number of shares of Common Stock, Series A-2 Stock, Series A-3 or Series A-4 Stock, as applicable, into which such shares of Existing Preferred Stock were converted or reclassified.

(g) No Reissue of Converted Existing Preferred Stock. No share of Existing Preferred Stock that is converted pursuant to any of the provisions of this Section A.9 shall be reissued, and the

Corporation shall not hold such share of Existing Preferred Stock so converted in treasury but, instead, shall retire and cancel such share immediately upon the conversion thereof pursuant to this Section A.9.

PART B. NEW PREFERRED STOCK

1. Designation and Amount. The number of shares, powers, terms, conditions, designations, preferences and privileges, relative, participating, optional and other special rights, and qualifications, limitations and restrictions, if any, of the New Preferred Stock shall be as set forth in this Part B. The number of authorized shares of the Series A-1 Stock is Ten Million (10,000,000), the number of authorized shares of the Series A-2 Stock is Nine Million Eight Hundred Thirty-two Thousand One Hundred Thirty-three (9,832,133), the number of authorized shares of the Series A-3 Stock is One Million Four Hundred Twenty-two Thousand Three Hundred (1,422,300), the number of authorized shares of the Series A-4 Stock is Forty Thousand and Three (40,003), the number of authorized shares of the Series A-5 Stock is Seventy Thousand (70,000) and the number of authorized shares of the Series A-6 Stock is Eight Million (8,000,000).

2. Ranking. As to dividends (other than with respect to the payment of the Series A-5 Accruing Dividend which shall rank senior in payment to any other dividends payable on any and all series of New Preferred Stock) and upon Liquidation (as defined in Section B.4(b) hereof) or an Event of Sale (as defined in Section B.5 hereof), each share of Series A-1 Stock shall rank equally with each other share of Series A-1 Stock and senior to all shares of Series A-2 Stock, Series A-3 Stock, Series A-4 Stock, Series A-5 Stock, Series A-6 Stock and shares of Common Stock and all other classes or series of stock not authorized by this Certificate as of the Effective Time; each share of Series A-2 Stock shall rank equally with each other share of Series A-2 Stock and senior to all shares of Series A-3 Stock, Series A-4 Stock, Series A-5 Stock, Series A-6 Stock and shares of Common Stock and all other classes or series of stock not authorized by this Certificate as of the Effective Time; each share of Series A-3 Stock, Series A-5 Stock and Series A-6 Stock shall rank equally with each other share of Series A-3 Stock, Series A-5 and Series A-6 Stock and senior to all shares of Series A-4 Stock and shares of Common Stock and all other classes or series of stock not authorized by this Certificate as of the Effective Time; except, in all cases, as otherwise approved by the affirmative vote or consent of holders of shares of Series A-1 Stock, Series A-2 Stock and/or Series A-3 Stock representing at least 70% of the voting power of the shares of Series A-1 Stock, Series A-2 Stock and Series A-3 Stock then outstanding (determined as set forth in the second sentence of Section A.6(a) hereof) (the "New Senior Majority"). Each share of Series A-4 Stock, shall rank equally with each other share of Series A-4 Stock and senior to all shares of Common Stock and all other classes or series of stock not authorized by this Certificate as of the Effective Time, except as otherwise approved by the affirmative vote or consent of the New Senior Majority.

3. Dividend Provisions.

(a) Series A-1 Stock. The holders of shares of Series A-1 Stock shall be entitled to receive a per share dividend at the rate of 8% of the Series A-1 Original Purchase Price (as defined in Section B.8 hereof) per annum, compounding annually (the "Series A-1 Accruing Dividend"), and which will accrue on a quarterly basis commencing on the date of issuance of such share of Series A-1 Stock. The holders of Series A-1 Stock shall be entitled to receive dividends prior in right to the payment of dividends and other distributions (whether in cash, property or securities of the Corporation, including subscription or other rights to acquire securities of the Corporation) on the Series A-2 Stock, Series A-3 Stock, Series A-4 Stock, Series A-5 Stock, Series A-6 Stock and Common Stock, but not with respect to the payment of the Series A-5 Special Accruing Dividend, as set forth in Section B.3(d) below, which shall rank senior in payment to any dividends payable with

respect to the Series A-1 Stock. Any dividends with respect to the Series A-1 Stock shall be payable, at the sole discretion of the Board of Directors, in cash or the issuance of that number of shares of Common Stock equal to the quotient obtained by dividing (x) the amount of such

accrued and unpaid dividends thereon by (y) the Current Market Price of a share of Common Stock, when, as and if declared or paid by the Board of Directors and, as accrued, on any Liquidation or Event of Sale. Dividends with respect to the Series A-1 Stock shall be payable in shares of Common Stock (calculated based upon the then effective Series A-1 Conversion Price), as accrued, upon the conversion of the Series A-1 Stock into Common Stock. Whenever any dividend may be declared or paid on any share of Series A-1 Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series A-1 Stock then outstanding, so that all outstanding shares of Series A-1 Stock will participate equally with each other and ratably per share (calculated as provided in Section B.3(f) hereof). Whenever any dividend or other distribution, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series A-1 Stock then outstanding so that all outstanding shares of Series A-1 Stock will participate in such dividend ratably with such shares of Common Stock (calculated as provided in Section B.3(e) hereof); or (ii) any shares of any other series of Preferred Stock (other than the Series A-2 Accruing Dividend, the Series A-3 Accruing Dividend and the Series A-5 Special Accruing Dividend), the Board of Directors shall also declare and pay a dividend on the same terms, at the same or equivalent rate upon each share of the Series A-1 Stock then outstanding so that all outstanding shares of Series A-1 Stock will participate in such dividend ratably with such shares of such other series of Preferred Stock (based on the number of shares of Common Stock into which each share of Series A-1 Stock and each share of such other series of Preferred Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of such other series of Preferred Stock as compared with the Series A-1 Stock then outstanding).

(b) Series A-2 Stock. The holders of shares of Series A-2 Stock shall be entitled to receive a per share dividend at the rate of 8% of the Series A-2 Original Purchase Price (as defined in Section B.8 hereof) per annum, compounding annually (the "Series A-2 Accruing Dividend"), and which will accrue on a quarterly basis commencing on the date of issuance of such share of Series A-2 Stock. The holders of Series A-2 Stock shall be entitled to receive dividends prior in right to the payment of dividends and other distributions (whether in cash, property or securities of the Corporation, including subscription or other rights to acquire securities of the Corporation) on the Series A-3 Stock, Series A-4 Stock, Series A-5 Stock, Series A-6 Stock and Common Stock, but not with respect to the payment of the Series A-5 Special Accruing Dividend, as set forth below in Section B.3(d) below, which shall rank senior in payment to any dividends payable with respect to the Series A-2 Stock. Any dividends with respect to the Series A-2 Stock shall be payable, at the sole discretion of the Board of Directors, in cash or the issuance of that number of shares of Common Stock equal to the quotient obtained by dividing (x) the amount of such accrued and unpaid dividends thereon by (y) the then fair market value of a share of Common Stock, when, as and if declared or paid by the Board of Directors and, as accrued, on any Liquidation or Event of Sale. Dividends with respect to the Series A-2 Stock shall be payable in shares of Common Stock (calculated based upon the then effective Series A-2 Conversion Price), as accrued, upon the conversion of the Series A-2 Stock into Common Stock. Whenever any dividend may be declared or paid on any share of Series A-2 Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series A-2 Stock then outstanding, so that all outstanding shares of Series A-2 Stock will participate equally with each other and ratably per share (calculated as provided in Section B.3(f) hereof). Whenever any dividend or other distribution, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series A-2 Stock then outstanding so that all outstanding shares of Series A-2 Stock will participate in such dividend ratably with such shares of Common Stock (calculated as provided in Section B.3(f) hereof); or (ii) any shares of any other series of Preferred Stock (other than the Series A-1 Accruing Dividend, the Series A-3 Accruing Dividend and the Series A-5 Special Accruing Dividend), the Board of Directors shall also declare and pay

a dividend on the same terms, at the same or equivalent rate upon each share of the Series A-2 Stock then outstanding so that all outstanding shares of Series A-2 Stock will participate in such dividend ratably with such shares of such other series of Preferred Stock (based on the number of shares of Common Stock into which each share of Series A-2 Stock and each share of such other series of Preferred Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of such other series of Preferred Stock as compared with the Series A-2 Stock then outstanding).

(c) Series A-3 Stock. The holders of shares of Series A-3 Stock shall be entitled to receive a per share dividend at the rate of 8% of the Series A-3 Original Purchase Price (as defined in Section B.8 hereof) per annum, compounding annually (the "Series A-3 Accruing Dividend"), and which will accrue on a quarterly basis commencing on the date of issuance of such share of Series A-3 Stock. The holders of Series A-3 Stock shall be entitled to receive dividends prior in right to the payment of dividends and other distributions (whether in cash, property or securities of the Corporation, including subscription or other rights to acquire securities of the Corporation) on the Series A-4 Stock, Series A-5 Stock, Series A-6 Stock and Common Stock, but not with respect to the payment of the Series A-5 Special Accruing Dividend, as set forth below in Section B.3(d) below, which shall rank senior in payment to any dividends payable with respect to the Series A-3 Stock. Any dividends with respect to the Series A-3 Stock shall be payable, at the sole discretion of the Board of Directors, in cash or the issuance of that number of shares of Common Stock equal to the quotient obtained by dividing (x) amount of such accrued and unpaid dividends thereon by (y) the then fair market value of a share of Common Stock, when, as and if declared or paid by the Board of Directors and, as accrued, on any Liquidation or Event of Sale. Dividends with respect to the Series A-3 Stock shall be payable in shares of Common Stock (calculated based upon the then effective Series A-3 Conversion Price), as accrued, upon the conversion of the Series A-3 Stock into Common Stock. Whenever any dividend may be declared or paid on any share of Series A-3 Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series A-3 Stock then outstanding, so that all outstanding shares of Series A-3 Stock will participate equally with each other and ratably per share (calculated as provided in Section B.3(f) hereof). Whenever any dividend or other distribution, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series A-3 Stock then outstanding so that all outstanding shares of Series A-3 Stock will participate in such dividend ratably with such shares of Common Stock (calculated as provided in Section B.3(f) hereof); or (ii) any shares of any other series of Preferred Stock (other than the Series A-1 Accruing Dividend, the Series A-2 Accruing Dividend and the Series A-5 Special Accruing Dividend), the Board of Directors shall also declare and pay a dividend on the same terms, at the same or equivalent rate upon each share of the Series A-3 Stock then outstanding so that all outstanding shares of Series A-3 Stock will participate in such dividend ratably with such shares of such other series of Preferred Stock (based on the number of shares of Common Stock into which each share of Series A-3 Stock and each share of such other series of Preferred Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of such other series of Preferred Stock as compared with the Series A-3 Stock then outstanding).

(d) Series A-5 Stock. Without regard to the payment of the required dividends to the holders of Series A-1 Stock, Series A-2 Stock and Series A-3 Stock in accordance with Section B.3(a), (b) and (c), respectively, above, the holders of shares of the Series A-5 Stock shall be entitled to receive a per share dividend (the "Series A-5 Special Accruing Dividend") that shall accrue and be paid in the form of Series A-6 Stock or other securities subject to and in accordance with the provisions of that certain Stock Issuance Agreement to which the Corporation and Nordic Bioscience Clinical Development VII A/S are party dated March 29, 2011 (the "Stock Issuance Agreement"). Whenever any dividend may be declared or paid on any shares of Series A-5 Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series A-5 Stock then

outstanding, so that all outstanding shares of Series A-5 Stock will participate equally with each other and ratably per share (calculated as provided in Section B.3(f) hereof). Whenever any dividend or other distribution, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series A-5 Stock then outstanding so that all outstanding shares of Series A-5 Stock will participate in such dividend ratably with such shares of Common Stock (calculated as provided in Section B.3(f) hereof); or (ii) any shares of any other series of Preferred Stock (other than the Series A-1 Accruing Dividend, the Series A-2 Accruing Dividend and the Series A-3 Accruing Dividend), the Board of

Directors shall also declare and pay a dividend on the same terms, at the same or equivalent rate upon each share of the Series A-5 Stock then outstanding so that all outstanding shares of Series A-5 Stock will participate in such dividend ratably with such shares of such other series of Preferred Stock (based on the number of shares of Common Stock into which each share of Series A-5 Stock and each share of such other series of Preferred Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of such other series of Preferred Stock as compared with the Series A-5 Stock then outstanding).

(e) Series A-4 Stock and Series A-6 Stock. Following payment in full of required dividends to the holders of Series A-1 Stock, Series A-2 Stock, Series A-3 and Series A-5 Stock or any other class or series of capital stock that is senior to or on parity with the any such series of Preferred Stock as to dividends, in accordance with Sections B.3(a), (b), (c) or (d) above or any other section of this Certificate as in effect from time to time, the holders of shares of the Series A-4 Stock and Series A-6 Stock shall be entitled to receive, when, if and as declared by the Board of Directors, dividends on any shares of Series A-4 Stock or Series A-6 Stock, as the case may be, out of funds legally available for that purpose, at a rate to be determined by the Board of Directors if and when they may so declare any dividend on the Series A-4 Stock or A-6 Stock, as the case may be. Whenever any dividend may be declared or paid on any shares of Series A-4 Stock or Series A-6 Stock, as applicable, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each other share of the Series A-4 Stock or the Series A-6 Stock, as applicable, then outstanding, so that all outstanding shares of Series A-4 Stock or Series A-6 Stock, as applicable, will participate equally with each other and ratably per share (calculated as provided in Section B.3(f) hereof). Whenever any dividend or other distribution, whether in cash or property or in securities of the Corporation (or subscription or other rights to purchase or acquire securities of the Corporation), may be declared or paid on: (i) any shares of the Common Stock, the Board of Directors shall also declare and pay a dividend on the same terms, at the same rate and in like kind upon each share of the Series A-4 Stock and Series A-6 Stock then outstanding so that all outstanding shares of Series A-4 Stock and Series A-6 Stock will participate in such dividend ratably with such shares of Common Stock (calculated as provided in Section B.3(f) hereof); or (ii) any shares of any other series of Preferred Stock (other than the Series A-1 Accruing Dividend, the Series A-2 Accruing Dividend, the Series A-3 Accruing Dividend and the Series A-5 Special Accruing Dividend), the Board of Directors shall also declare and pay a dividend on the same terms, at the same or equivalent rate upon each share of the Series A-4 Stock and Series A-6 Stock then outstanding so that all outstanding shares of Series A-4 Stock and Series A-6 Stock will participate in such dividend ratably with such shares of such other series of Preferred Stock (based on the number of shares of Common Stock into which each share of Series A-4 Stock and Series A-6 Stock and each share of such other series of Preferred Stock is then convertible, if applicable, or, otherwise, the relative liquidation preference per share, of such other series of Preferred Stock as compared with the Series A-4 Stock and Series A-6 Stock then outstanding).

(f) In connection with any dividend declared or paid hereunder, each share of Preferred Stock shall be deemed to be that number of shares (including fractional shares) of Common Stock into which it is then convertible, rounded up to the nearest one-tenth of a share. No fractional shares of capital stock shall be issued as a dividend hereunder. The Corporation shall pay a cash adjustment for any

such fractional interest in an amount equal to the fair market value thereof on the last Business Day (as defined in Section B.8 hereof) immediately preceding the date for payment of dividends as determined by the Board of Directors in good faith.

4. Liquidation Rights.

(a) As to rights upon any Liquidation or an Event of Sale, each share of Series A-1 Stock shall rank equally with each other share of Series A-1 Stock and senior to all shares of Series A-2 Stock, Series A-3 Stock, Series A-4 Stock, Series A-5 Stock and Series A-6 Stock; each share of Series A-2 Stock shall rank equally with each other share of Series A-2 Stock and senior to all shares of Series A-3 Stock, Series A-4 Stock, Series A-5 Stock and Series A-6 Stock; each share of Series A-3 Stock, Series A-5 Stock and Series A-6 Stock shall rank equally with each other share of Series A-3 Stock, Series A-5 and Series A-6 Stock and senior to all shares of Series A-4 Stock and shares of Common Stock and all other classes or series of stock not authorized by this Certificate as of the Effective Time, except as otherwise approved by the affirmative vote or consent of the New Senior Majority. Each share of Series A-4 Stock, shall rank equally with each other share of Series A-4 Stock and senior to all shares of Common Stock and all other classes or series of stock not authorized by this Certificate as of the Effective Time, except as otherwise approved by the affirmative vote or consent of the New Senior Majority.

(b) In the event of any liquidation, dissolution or winding-up of the affairs of the Corporation (collectively, a "Liquidation"): (i) the holders of shares of Series A-1 Stock then outstanding (the "Series A-1 Stockholders") shall be entitled to receive, ratably with each other, out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the holders of Series A-2 Stock then outstanding (the "Series A-2 Stockholders"), Series A-3 Stock then outstanding (the "Series A-3 Stockholders"), Series A-4 Stock then outstanding (the "Series A-4 Stockholders"), Series A-5 Stock then outstanding (the "Series A-5 Stockholders") or Series A-6 Stock then outstanding (the "Series A-6 Stockholders" and collectively with the Series A-1 Stockholders, Series A-2 Stockholders, Series A-3 Stockholders, Series A-4 Stockholders and the Series A-5 Stockholders, the "New Preferred Stockholders"), or the holders of Common Stock or any other class or series of stock ranking on Liquidation junior to such Series A-1 Stock, an amount per share equal to the Series A-1 Original Purchase Price (as defined in Section B.8 hereof), plus an amount equal to any declared or accrued but unpaid dividends thereon, calculated pursuant to Section B.3(a) hereof; and (ii) after the distribution to the Series A-1 Stockholders, and any other class or series of capital stock that is senior to the Series A-2 Stock as to Liquidation, of the full amount to which they are entitled to receive pursuant to this Section B.4(b) or any other section of this Certificate as in effect from time to time, the Series A-2 Stockholders, shall be entitled to receive, ratably with each other, out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the Series A-3 Stockholders, the Series A-4 Stockholders, the Series A-5 Stockholders or the Series A-6 Stockholders, or the holders of Common Stock or any other class or series of stock ranking on Liquidation junior to such Series A-2 Stock, an amount per share equal to the Series A-2 Original Purchase Price (as defined in Section B.8 hereof), plus an amount equal to any declared or accrued but unpaid dividends thereon, calculated pursuant to Section B.3(b) hereof; (iii) after the distribution to the Series A-1 Stockholders, the Series A-2 Stockholders and holders of any other class or series of capital stock that is senior the Series A-3 Stock as to Liquidation, of the full amount to which they are entitled to receive pursuant to this Section B.4(b) or any other section of this Certificate as in effect from time to time, the Series A-3 Stockholders, the Series A-5 Stockholders, and the Series A-6 Stockholders shall be entitled to receive out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the Series A-4 Stockholders or the holders of Common Stock or any other class or series of stock ranking

on Liquidation junior to such Series A-3 Stock, Series A-5, or Series A-6 Stock an amount per share equal to the Series A-3 Original Purchase Price (as defined in Section B.8 hereof), Series A-5 Original Purchase Price (as defined in Section B.8 hereof) or Series A-6 Original Purchase Price (as defined in Section B.8 hereof), respectively, plus an amount equal to any declared or accrued but unpaid dividends thereon, calculated pursuant to Section B.3 hereof; and (iv) after the distribution to the Series A-1 Stockholders, the Series A-2 Stockholders, the Series A-3 Stockholders, the Series A-5 Stockholders, the Series A-6 Stockholders and holders of any other class or series of capital stock that is senior to the Series A-4 Stock as to Liquidation, of the full amount to which they are entitled to receive pursuant to this Section B.4(b) or any other section of this Certificate as in effect from time to time, the Series A-4 Stockholders shall be entitled to receive out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings, before any payment shall be made to the holders of Common Stock or any other class or series of stock ranking on Liquidation junior to such Series A-4 Stock an amount per share equal to the Series A-4 Original Purchase Price (as defined in Section B.8 hereof), plus an amount equal to any declared but unpaid dividends thereon, calculated pursuant to Section B.3 hereof.

(c) If, upon any Liquidation, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series A-1 Stockholders the full amount to which each of them shall be entitled pursuant to Section A.4(b) above, then the Series A-1 Stockholders shall share ratably in any distribution of assets according to the respective amounts which would be payable to them in respect of the shares of Series A-1 Stock held upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(d) If, upon any Liquidation, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series A-2 Stockholders the full amount to which each of them shall be entitled pursuant to Section B.4(b) above and to pay to the holders of any other class or series of capital stock that is on a parity with the Series A-2 Stock upon Liquidation the full amount to which each of such holders shall be entitled pursuant to Section B.4(b) or any other section of this Certificate as in effect from time to time, then the Series A-2 Stockholders and such holders shall share ratably in any distribution of assets according to the respective amounts which

would be payable to them in respect of the shares of Series A-2 Stock and the shares of such other class or series of capital stock held upon such distribution if all amounts payable on or with respect to all of such shares were paid in full.

(e) If, upon any Liquidation, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series A-3 Stockholders, the Series A-5 Stockholders and the Series A-6 Stockholders the full amount to which each of them shall be entitled pursuant to Section B.4(b) above and to pay to the holders of any other class or series of capital stock that is on a parity with the Series A-3, Series A-5 Stock and the Series A-6 Stock upon Liquidation the full amount to which each of such holders shall be entitled pursuant to Section B.4(b) or any other section of this Certificate as in effect from time to time, then the Series A-3 Stockholders, the Series A-5 Stockholders, the Series A-6 Stockholders and such holders shall share ratably in any distribution of assets according to the respective amounts which would be payable to them in respect of the shares of Series A-3 Stock, Series A-5 Stock and Series A-6 Stock and the shares of such other class or series of capital stock, as the case may be, held upon such distribution if all amounts payable on or with respect to all of such shares were paid in full.

(f) If, upon any Liquidation, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the Series A-4 Stockholders the full amount to which each of them shall be entitled pursuant to Section B.4(b) above and to pay to the holders of any other class or series of capital stock that is on a parity with the Series A-4 Stock upon Liquidation the full amount to which each of such holders shall be entitled pursuant to Section B.4(b) or any other section of this Certificate as in effect from time to time, then the Series A-4 Stockholders and such holders shall share ratably in any distribution of assets according to the respective amounts which would be payable to them in respect of the

shares of Series A-4 Stock and the shares of such other class or series of capital stock held upon such distribution if all amounts payable on or with respect to all of such shares were paid in full.

(g) In the event of any Liquidation, after payment shall have been made to the New Preferred Stockholders of the full amount to which they shall be entitled pursuant to Section B.4(b) and to the holders of any class or series of capital stock that is senior to or on parity with the New Preferred Stock, or any series, thereof, as in effect from time to time, the holders of each other class or series of capital stock (other than Common Stock) ranking on Liquidation junior to the New Preferred Stock, but senior to the Common Stock, as a class, shall be entitled to receive an amount equal (and in like kind) to the aggregate preferential amount fixed for each such junior class or series of capital stock. If, upon any Liquidation, after payment shall have been made to the New Preferred Stockholders of the full amount to which they shall be entitled pursuant to Section B.4(b), the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay a class or series of capital stock (other than the Common Stock) junior to the New Preferred Stock the full amount to which they shall be entitled pursuant to the preceding sentence, the holders of such other class or series of capital stock shall share ratably, based upon the number of then outstanding shares of such other class or series of capital stock, in any remaining distribution of assets according to the respective preferential amounts fixed for such junior class or series of capital stock or which would be payable to them in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(h) In the event of any Liquidation, after payments shall have been made first to the New Preferred Stockholders and to the holders of any class or series of capital stock that is senior to or on parity with the New Preferred Stock, or any series thereof, as in effect from time to time, and to the holders of class or series of capital stock that is junior to or on parity with the New Preferred Stock but senior to the Common Stock, of the full amount to which they each shall be entitled as aforesaid, the holders of Common Stock, as a class, shall be entitled to share ratably with the holders of Participating Preferred Stock as provided in the last sentence in this Section B.4(h)) in all remaining assets of the Corporation legally available for distribution to its stockholders. For purposes of calculating the amount of any payment to be paid upon any such Liquidation pursuant to the participation feature described in this Section B.4(h), each share of such Participating Preferred Stock shall be deemed to be that number of shares (including fractional shares and any shares attributable to the payment of accrued and unpaid dividends upon conversion of such Participating Preferred Stock pursuant to Section B.7(b)) of Common Stock into which it is then convertible, rounded to the nearest one-tenth of a share.

(i) (i) In the event of and simultaneously with the closing of an Event of Sale, the Corporation shall, unless waived by the New Senior Majority or otherwise prevented by law, redeem all of the shares of New Preferred Stock then outstanding for a cash amount

per share determined as set forth in Sections B.4(a) through (h) hereof (the "Special Liquidation Price," said redemption being referred to herein as a "Special Liquidation"). In the event the Event of Sale involves consideration that does not consist of cash, then the Special Liquidation Price may be paid with such consideration having a value equal to the Special Liquidation Price. To the extent there is any cash consideration in connection with an Event of Sale, at the option of the New Senior Majority, the cash consideration will first (i) be applied to satisfy the Special Liquidation Price payable to the Series A-1 Stockholders and to the holders of any other class or series of capital stock that is senior to or on parity with the Series A-1 Stock as to Liquidation; and then (ii) be applied to satisfy the Special Liquidation Price payable to the holders of Series A-2 Stock and to the holders of any other class or series of capital stock that is junior to the Series A-1 Stock but senior to or on parity with the Series A-2 Stock as to Liquidation; and then (iii) be applied to satisfy the Special Liquidation Price payable to holders of Series A-3 Stock, Series A-5 Stock, Series A-6 Stock and any other class or series of capital stock that is junior to the Series A-2 Stock but senior to or on parity with the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock as to Liquidation (in relative proportion to the full liquidation preference the Series A-3 Stockholders, Series A-5 Stockholders, Series A-6 Stockholders and

the holders of such other class or series of capital stock would have received had there been sufficient cash consideration to have paid their liquidation preference in full) and then (iv) be applied to satisfy the Special Liquidation Price payable to the holders of Series A-4 Stock and to the holders of any other class or series of capital stock that is junior to the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock but senior to or on parity with the Series A-4 Stock, in all cases, prior to the payment thereof to any other stockholders of the Corporation. For all purposes of this Section B.4(i), the Special Liquidation Price shall be equal to that amount per share which would be received by each New Preferred Stockholder if, in connection with an Event of Sale, all the consideration paid in exchange for the assets or the shares of capital stock (as the case may be) of the Corporation were actually paid to and received by the Corporation and the Corporation were immediately thereafter liquidated and its assets distributed pursuant to Sections B.4(a) through (h) hereof. To the extent that one or more redemptions (as described in Section B.5 hereof) and/or Special Liquidations are occurring concurrently, the Special Liquidation under this Section B.4(i) shall be deemed to occur first. The date upon which the Special Liquidation shall occur is sometimes referred to herein as the "Special Liquidation Date".

(ii) In the absence of an applicable waiver pursuant to Section B.4(i) above, at any time on or after the Special Liquidation Date, a New Preferred Stockholder shall be entitled to receive the Special Liquidation Price for each such share of New Preferred Stock owned by such holder. Subject to the provisions of Section B.4(i)(iii) hereof, payment of the Special Liquidation Price will be made to each such holder upon actual delivery to the Corporation or its transfer agent of the certificate of such holder representing such shares of New Preferred Stock, as the case may be, or an affidavit of loss as to the same.

(iii) If on the Special Liquidation Date less than all the shares of New Preferred Stock then outstanding may be legally redeemed by the Corporation, the Special Liquidation shall be made first as to the Series A-1 Stock (and any other class or series of capital stock that is senior to or on parity with the Series A-1 Stock as to Liquidation), pro rata with respect to such Series A-1 Stock (or such other class or series of capital stock that is senior to or on parity with the Series A-1 Stock as to Liquidation) based upon the number of outstanding shares of Series A-1 Stock (or such other class or series of capital stock that is senior to or on parity with the Series A-1 Stock as to Liquidation) then owned by each such holder thereof until such holders are satisfied in full, and then to the Series A-2 Stock (and any other class or series of capital stock that is junior to the Series A-1 Stock but senior to or on parity with the Series A-2 Stock as to Liquidation), pro rata with respect to such Series A-2 Stock (or such other class or series of capital stock that is junior to the Series A-1 Stock but senior to or on parity with the Series A-2 Stock as to Liquidation) based upon the number of outstanding shares of Series A-2 Stock (or such other class or series of capital stock that is junior to the Series A-1 Stock but senior to or on parity with the Series A-2 Stock as to Liquidation) then owned by each such holder thereof until such holders are satisfied in full, and then to the holders of the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock (and any other class or series of capital stock that is junior to the Series A-2 Stock but senior to or on parity with the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock as to Liquidation), pro rata with respect to such Series A-3, Stock Series A-5 Stock and Series A-6 Stock (or such other class or series of capital stock that is junior to the Series A-2 Stock but senior to or on parity with the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock as to Liquidation) based upon the number of outstanding shares of Series A-3 Stock, Series A-5 Stock and Series A-6 Stock (or such other class or series of capital stock that is junior to the Series A-2 Stock but senior to or on parity with the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock as to Liquidation) then owned by each holder thereof, and then to the Series A-4 Stock (and any other class or series of capital stock that is junior to the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock

but senior to or on parity with the Series A-4 Stock as to Liquidation), pro rata with respect to such Series A-4 Stock (or such other class or series of capital stock that is junior to the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock but senior to or on parity with the Series A-4 Stock as to Liquidation) based upon the number of outstanding shares of Series A-4 Stock (or such other

class or series of capital stock that is junior to the Series A-3 Stock, Series A-5 Stock and Series A-6 Stock but senior to or on parity with the Series A-4 Stock as to Liquidation) then owned by each such holder thereof until such holders are satisfied in full.

(iv) On and after any Special Liquidation Date, all rights in respect of the shares of New Preferred Stock to be redeemed shall cease and terminate except the right to receive the applicable Special Liquidation Price as provided herein, and such shares of New Preferred Stock shall no longer be deemed to be outstanding, whether or not the certificates representing such shares of New Preferred Stock have been received by the Corporation; provided, however, that, if the Corporation defaults in the payment of the Special Liquidation Price with respect to any New Preferred Stock, the rights of the holder(s) thereof with respect to such shares of New Preferred Stock shall continue until the Corporation cures such default.

(v) Anything contained herein to the contrary notwithstanding, all or any of the provisions of this Section B.4(i) may be waived by the New Senior Majority, by delivery of written notice of waiver to the Corporation prior to the closing of any Event of Sale.

(vi) Any notice required to be given to the holders of shares of New Preferred Stock pursuant to Section B.7(g) hereof in connection with an Event of Sale shall include a statement by the Corporation of (A) the Special Liquidation Price which each New Preferred Stockholder shall be entitled to receive upon the occurrence of a Special Liquidation under this Section B.4(i) and (B) the extent to which the Corporation will, if at all, be legally prohibited from paying each holder of New Preferred Stock the Special Liquidation Price.

5. Definition of "Event of Sale" and "Shell Company Successor". For purposes of this Part B of Article III, an "Event of Sale" shall mean: (A) the sale by the stockholders of voting control of the Corporation, (B) the merger, consolidation or reorganization with or into any other corporation, entity or person or any other corporate reorganization, in which (I) the capital stock of the Corporation immediately prior to such merger, consolidation or reorganization represents less than 50% of the voting power of the surviving entity (or, if the surviving entity is a wholly owned subsidiary, its parent) immediately after such merger, consolidation or reorganization or (II) the surviving entity (or, if the surviving entity is a wholly owned subsidiary, its parent) has a class of securities that is (or has been within 90 days prior to such transaction) tradeable on any public market or exchange or (C) the sale, exclusive license or other disposition of all or substantially all of the assets or intellectual property of the Corporation in a single transaction or series of related transactions. Notwithstanding the foregoing and for purposes of clarification, the term "Event of Sale" shall not include any transaction involving the Corporation and the Shell Company Successor that is described in clause (iii) of the Shell Company Successor definition set forth below. "Shell Company Successor" means a shell company that (i) has securities registered under the Securities Exchange Act of 1934, as amended, (ii) has nominal operations and nominal assets (prior to any of the transactions described in clause (iii)) and (iii) directly or indirectly through one or more direct or indirect subsidiaries acquires the Corporation and/or all or substantially all of its assets or business (whether pursuant to a stock purchase, an asset purchase, a merger or any other similar transaction), and in consideration for such acquisition issues to the former stockholders of the Corporation shares of capital stock of such shell company.

6. Voting.

(a) Subject to any separate voting rights provided for herein or otherwise required by law, the holders of New Preferred Stock shall be entitled to vote, together with the holders of Common Stock as one class, on all matters as to which holders of Common Stock shall be entitled to vote, in the same manner and with the same effect as such holders of Common Stock. In any such vote, each share of

New Preferred Stock shall entitle the holder thereof to the number of votes per share that equals the number of shares of Common Stock (including fractional shares) into which each such share of New Preferred Stock is then convertible, rounded up to the nearest one-tenth of a share, but not including any shares of Common Stock issuable upon conversion of any dividends accrued on such New Preferred Stock.

(b) In addition to the rights specified in Section B.6(a):

(i) for so long as any shares of Series A-1 Stock are outstanding, the holders of a majority of the shares of Series A-1 Stock outstanding, voting as a separate class, shall have the right to elect two (2) members of the Board of Directors of the Corporation; and

(ii) Oxford Bioscience Partners IV L.P. (including for this purpose, members of the Oxford/Saints Group (as defined in the Stockholders' Agreement), HealthCare Ventures or Wellcome Trust (collectively, the "G3 Holders") voting as a separate class shall have the right to elect one (1) member of the Board of Directors of the Corporation by majority vote of the shares of Series A-1 Stock held by them; provided, however, that in order to be eligible to vote or consent with respect to the election of such member of the Board of Directors, a G3 Holder together with members of such G3 Holders' Group (as defined in the Stockholders' Agreement) must hold greater than twenty percent (20%) of the shares of Series A-1 Stock purchased under the Series A-1 Stock Purchase Agreement by such G3 Holder and the members of such G3 Holders' Group; and

(iii) MPM Capital L.P., voting as a separate class, shall have the right to elect one (1) member of the Board of Directors of the Corporation by majority vote of the shares of Series A-1 Stock held by MPM Capital L.P.; provided that such member of the Board of Directors shall be an individual with particular expertise in the development of pharmaceutical products; and, provided, further, that in order to be eligible to vote or consent with respect to the election of such member of the Board of Directors, MPM Capital L.P. together with members of the MPM Group (as defined in the Stockholders' Agreement) must hold greater than twenty percent (20%) of the shares of Series A-1 Stock purchased under the Series A-1 Stock Purchase Agreement by MPM Capital L.P. and the members of the MPM Group.

(iv) The members of the Board of Directors elected by the Series A-1 Stockholders, the G3 Holders and MPM Capital L.P. pursuant to this Section B.6(b) are referred to herein as the "New Preferred Directors".

(c) In any election of New Preferred Directors pursuant to Section B.6(b), each holder of New Preferred Stock eligible to participate in the election of New Preferred Directors shall be entitled to one vote for each share of Common Stock (including fractional shares) into which each such share of New Preferred Stock held by such holder is then convertible, rounded up to the nearest one-tenth of a share (determined as set forth in the second sentence of Section B.6(a) hereof), and no holder of New Preferred Stock shall be entitled to cumulate its votes by giving one candidate more than one vote per share. The voting right of the Series A-1 Stockholders, the G3 Holders and the MPM Holder contained in Section B.6(b), may be exercised at a special meeting of the applicable holders of New Preferred Stock called as provided in accordance with the by-laws of the Corporation, at any annual or special meeting of the stockholders of the Corporation, or by written consent of such applicable holders of New Preferred Stock in lieu of a meeting. The New Preferred Directors elected pursuant to Section B.6(b) shall serve from the date of their election and qualification until their successors have been duly elected and qualified. The number of directors constituting the entire membership of the Board of Directors of the Corporation shall be set by the Board of Directors pursuant to the By-Laws of the Corporation.

(d) A vacancy in the directorships elected by the Series A-1 Stockholders, the G3 Holders or the MPM Holder pursuant to Section B.6(b), may be filled by a vote at a meeting called in accordance with the by-laws of the Corporation or written consent in lieu of such meeting of the applicable holders of New Preferred Stock, respectively or by the remaining directors as provided in the by-laws of the Corporation.

(e) The holders of capital stock of the corporation, voting as a single class, shall elect the remaining member or members of the Board of Directors of the Corporation. In any election of directors pursuant to this Section B.6(e), each stockholder shall be entitled to one vote for each share of Common Stock held or, if New Preferred Stock, into which each such share of New Preferred Stock is then

convertible (determined in accordance with Section B.6(a) hereof), and no stockholder shall be entitled to cumulate its votes by giving one candidate more than one vote per share. The voting right of the stockholders contained in this Section B.6(e) may be exercised at a special meeting of the stockholders called as provided in accordance with the by-laws of the Corporation, at any annual or special meeting of the stockholders of the Corporation, or by written consent of the stockholder in lieu of a meeting. The director or directors elected pursuant to this Section B.6(e) shall serve from the date of their election and qualification until their successors have been duly elected and qualified.

(f) A vacancy in the directorship or directorships elected by the stockholders pursuant to Section B.6(e), may be filled by a vote at a meeting called in accordance with the by-laws of the Corporation or written consent in lieu of such meeting of the stockholders of the Corporation or by the remaining directors as provided in the by-laws of the Corporation.

(g) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of the New Senior Majority acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each Series A-1 Stockholder, Series A-2 Stockholder and Series A-3 Stockholder to do the following:

(i) authorize, create, designate, issue or sell any class or series of capital stock (including any shares of treasury stock) or rights, options, warrants or other securities convertible into or exercisable or exchangeable for capital stock which by its terms is convertible into or exchangeable for any equity security, other then Excluded Stock, which, as to the payment of dividends or distribution of assets, including without limitation distributions to be made upon a Liquidation, is senior to or on a parity with the Series A-1 Stock; or

(ii) amend, alter or repeal any provision of this Certificate; or

(iii) permit, approve or agree to any Liquidation, Event of Sale, dissolution or winding up of the Corporation.

The foregoing approval shall be obtained in addition to any approval required by law.

(h) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of holders of a majority of the then outstanding shares of Series A-1 Stock, acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or

by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each holder of such Series A-1 Stock, amend, alter or repeal any provision of this Certificate if such amendment, alteration or repeal would (i) alter or change the rights, preferences or privileges of the Series A-1 Stock in a manner that materially adversely affects the Series A-1 Stock and such amendment does not change or alter the comparable rights, preferences or privileges of any other series of New Preferred Stock in a manner that materially adversely affects such other series of New Preferred Stock or (ii) increases or decreases the authorized number of shares of Series A-1 Stock. The foregoing approval shall be obtained in addition to any approval required by law. For purposes of clarification, the creation, authorization or issuance of any new class or series of capital stock of the Corporation having rights, preferences or privileges senior to or on a parity with the Series A-1 Stock (and any amendment to the certificate of incorporation of the Company for purposes of creating or authorizing such new class or series of capital stock) shall not be deemed or treated as materially adversely affecting the Series A-1 Stock.

(i) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of holders of a majority of the then outstanding shares of Series A-2 Stock, acting separately from the holders of

Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each holder of such Series A-2 Stock, amend, alter or repeal any provision of this Certificate if such amendment, alteration or repeal would (i) alter or change the rights, preferences or privileges of the Series A-2 Stock in a manner that materially adversely affects the Series A-2 Stock and such amendment does not change or alter the comparable rights, preferences or privileges of any other series of New Preferred Stock in a manner that materially adversely affects such other series of New Preferred Stock or (ii) increases or decreases the authorized number of shares of Series A-2 Stock. The foregoing approval shall be obtained in addition to any approval required by law. For purposes of clarification, the creation, authorization or issuance of any new class or series of capital stock of the Corporation having rights, preferences or privileges senior to or on a parity with the Series A-2 Stock (and any amendment to the certificate of incorporation of the Company for purposes of creating or authorizing such new class or series of capital stock) shall not be deemed or treated as materially adversely affecting the Series A-2 Stock.

(j) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of holders of a majority of the then outstanding shares of Series A-3 Stock, acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each holder of such Series A-3 Stock, amend, alter or repeal any provision of this Certificate if such amendment, alteration or repeal would (i) alter or change the rights, preferences or privileges of the Series A-3 Stock in a manner that materially adversely affects the Series A-3 Stock and such amendment does not change or alter the comparable rights, preferences or privileges of any other series of New Preferred Stock in a manner that materially adversely affects such other series of New Preferred Stock or (ii) increases or decreases the authorized number of shares of Series A-3 Stock. The foregoing approval shall be obtained in addition to any approval required by law. For purposes of clarification, the creation, authorization or issuance of any new class or series of capital stock of the Corporation having rights, preferences or privileges senior to or on a parity with the Series A-3 Stock (and any amendment to the certificate of incorporation of the Company for purposes of creating or authorizing such new class or series of capital stock) shall not be deemed or treated as materially adversely affecting the Series A-3 Stock.

(k) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of holders of a majority of the then outstanding shares of Series A-4 Stock, acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each holder of such Series A-4 Stock, amend, alter or repeal any provision of this Certificate if such amendment, alteration or repeal would (i) alter or change the rights, preferences or privileges of the Series A-4 Stock in a manner that materially adversely affects the Series A-4 Stock and such amendment does not change or alter the comparable rights, preferences or privileges of any other series of New Preferred Stock in a manner that materially adversely affects such other series of New Preferred Stock or (ii) increases or decreases the authorized number of shares of Series A-4 Stock. The foregoing approval shall be obtained in addition to any approval required by law. For purposes of clarification, the creation, authorization or issuance of any new class or series of capital stock of the Corporation having rights, preferences or privileges senior to or on a parity with the Series A-4 Stock (and any amendment to the certificate of incorporation of the Company for purposes of creating or authorizing such new class or series of capital stock) shall not be deemed or treated as materially adversely affecting the Series A-4 Stock.

(l) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of holders of a majority of the then outstanding shares of Series A-5 Stock, acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each holder of such Series A-5 Stock, amend, alter or repeal any provision of this Certificate if such amendment,

alteration or repeal would (i) alter or change the rights, preferences or privileges of the Series A-5 Stock in a manner that materially adversely affects the Series A-5 Stock and such amendment does not change or alter the comparable rights, preferences or privileges of any other series of New Preferred Stock in a manner that materially adversely affects such other series of New Preferred Stock or (ii) increases or decreases the authorized number of shares of Series A-5 Stock. The foregoing approval shall be obtained in addition to any approval required by law. For purposes of clarification, the creation, authorization or issuance of any new class or series of capital stock of the Corporation having rights, preferences or privileges senior to or on a parity with the Series A-5 Stock (and any amendment to the certificate of incorporation of the Company for purposes of creating or authorizing such new class or series of capital stock) shall not be deemed or treated as materially adversely affecting the Series A-5 Stock.

(m) Except as otherwise expressed, implied or contemplated in this Certificate, the Series A-1 Purchase Agreement or the Merger Agreement, the Corporation shall not, directly or indirectly, through a merger, consolidation, reorganization or otherwise, without the affirmative approval of holders of a majority of the then outstanding shares of Series A-6 Stock, acting separately from the holders of Common Stock or any other securities of the Corporation, given by written consent in lieu of a meeting or by vote at a meeting called for such purpose, for which meeting or approval by written consent timely and specific notice in the manner provided in the by-laws of the Corporation shall have been given to each holder of such Series A-6 Stock, amend, alter or repeal any provision of this Certificate if such amendment, alteration or repeal would (i) alter or change the rights, preferences or privileges of the Series A-6 Stock in a manner that materially adversely affects the Series A-6 Stock and such amendment does not change or alter the comparable rights, preferences or privileges of any other series of New Preferred Stock in a manner that materially adversely affects such other series of New Preferred Stock or (ii) increases or decreases the authorized number of shares of Series A-6 Stock. The foregoing approval shall be obtained in

addition to any approval required by law. For purposes of clarification, the creation, authorization or issuance of any new class or series of capital stock of the Corporation having rights, preferences or privileges senior to or on a parity with the Series A-6 Stock (and any amendment to the certificate of incorporation of the Company for purposes of creating or authorizing such new class or series of capital stock) shall not be deemed or treated as materially adversely affecting the Series A-6 Stock.

(n) The Corporation shall obtain the consent of the Board of Directors before it may authorize or issue any additional shares of capital stock of the Corporation or any of its subsidiaries.

7. Conversion.

(a) Any New Preferred Stockholder shall have the right, at any time or from time to time, to convert any or all of its shares of New Preferred Stock into that number of fully paid and nonassessable shares of Common Stock for each share of New Preferred Stock so converted equal to the quotient of the Series A-1 Original Purchase Price, Series A-2 Original Purchase Price, Series A-3 Original Purchase Price, Series A-4 Original Purchase Price, Series A-6 Original Purchase Price or Series A-6 Original Purchase Price, as applicable, for such share divided by the Series A-1 Conversion Price, the Series A-2 Conversion Price, Series A-3 Conversion Price, Series A-4 Conversion Price, Series A-5 Conversion Price or the Series A-6 Conversion Price (each as defined in Section B.7(e)(i) hereof), as applicable, for such share of New Preferred Stock, as last adjusted and then in effect, rounded up to the nearest one-tenth of a share; provided, however, that cash shall be paid in lieu of the issuance of fractional shares of Common Stock, as provided in Section B.7(d) hereof.

(b) (i) Any New Preferred Stockholder who exercises the right to convert shares of New Preferred Stock into shares of Common Stock pursuant to this Section B.7 shall be entitled to payment of all accrued dividends, whether or not declared and all declared but unpaid dividends payable with respect to such New Preferred Stock pursuant to Section B.3 herein, up to and including the Conversion Date (as defined in Section B.7(b)(iii) hereof).

(ii) Any New Preferred Stockholder may exercise the right to convert such shares into Common Stock pursuant to this Section B.7 by delivering to the Corporation during regular business hours, at the office of the Corporation or any transfer agent of the Corporation or at such other place as may be designated by the Corporation, the certificate or certificates for the shares to be

converted (the "New Preferred Certificate"), duly endorsed or assigned in blank to the Corporation (if required by it) or an affidavit of loss as to the same.

(iii) Each New Preferred Certificate shall be accompanied by written notice stating that such holder elects to convert such shares and stating the name or names (with address) in which the certificate or certificates for the shares of Common Stock (the "Common Certificate") are to be issued. Such conversion shall be deemed to have been effected on the date when such delivery is made, and such date is referred to herein as the "Conversion Date."

(iv) As promptly as practicable thereafter, the Corporation shall issue and deliver to or upon the written order of such holder, at the place designated by such holder, (A) a Common Certificate for the number of full shares of Common Stock to which such holder is entitled and (B) a check or cash in respect of any fractional interest in shares of Common Stock to which such holder is entitled, as provided in Section B.7(d) hereof, payable with respect to the shares so converted up to and including the Conversion Date.

(v) The person in whose name the Common Certificate or Certificates are to be issued shall be deemed to have become a holder of record of Common Stock on the applicable

Conversion Date, unless the transfer books of the Corporation are closed on such Conversion Date, in which event the holder shall be deemed to have become the stockholder of record on the next succeeding date on which the transfer books are open, provided that the Series A-1 Conversion Price, the Series A-2 Conversion Price, Series A-3 Conversion Price, Series A-4 Conversion Price, the Series A-5 Conversion Price or the Series A-6 Conversion Price, as applicable, upon which the conversion shall be executed shall be that in effect on the Conversion Date.

(vi) Upon conversion of only a portion of the number of shares covered by a New Preferred Certificate, the Corporation shall issue and deliver to or upon the written order of the holder of such New Preferred Certificate, at the expense of the Corporation, a new certificate covering the number of shares of New Preferred Stock representing the unconverted portion of the New Preferred Certificate, which new certificate shall entitle the holder thereof to all the rights, powers and privileges of a holder of such New Preferred Stock.

(c) If a New Preferred Stockholder shall surrender more than one share of the same class of New Preferred Stock for conversion at any one time, then the number of full shares of Common Stock issuable upon conversion thereof shall be computed on the basis of the aggregate number of shares of New Preferred Stock so surrendered.

(d) No fractional shares of Common Stock shall be issued upon conversion of New Preferred Stock. The Corporation shall instead pay a cash adjustment for any such fractional interest in an amount equal to the Current Market Price thereof on the Conversion Date, as determined in accordance with Section B.7(e)(vi) hereof.

(e) For all purposes of this Article III, Part B, the initial conversion price of the Series A-1 Stock shall be the Series A-1 Original Purchase Price, the initial conversion price of the Series A-2 Stock shall be the Series A-2 Original Purchase Price, the initial conversion price of the Series A-3 Stock shall be the Series A-3 Original Purchase Price, the initial conversion price of the Series A-4 Stock shall be the Series A-4 Original Purchase Price, the initial conversion price of the Series A-5 Stock shall be the Series A-5 Original Purchase Price, and the initial conversion price of the Series A-6 Stock shall be the Series A-6 Original Purchase Price, in each case subject to adjustment from time to time as follows (the conversion price of any or each of the Series A-1 Stock, the Series A-2 Stock, the Series A-3 Stock, the Series A-4 Stock, the Series A-5 Stock and the Series A-6 Stock is sometimes referred to generically in this Section B.7 as the "Conversion Price"):

(i) Subject to Section B.7(e)(ii) and B.7(e)(x) below, if the Corporation shall, at any time or from time to time after the Series A-1 Original Issuance Date, issue or sell any shares of Common Stock (which term, for purposes of this Section B.7(e)(i), including all subsections thereof, shall be deemed to include all other securities convertible into, or exchangeable or exercisable for, shares of

Common Stock (including, but not limited to, Preferred Stock) or options to purchase or other rights to subscribe for such convertible or exchangeable securities, in each case other than Excluded Stock (as defined in Section B.7(e)(ii) below), for a consideration per share less than the Series A-1 Conversion Price in effect immediately prior to the issuance of such Common Stock or other securities (a "New Dilutive Issuance"), then (X) the Conversion Price of the Series A-1 Stock (the "Series A-1 Conversion Price") in effect immediately prior to each such New Dilutive Issuance shall automatically be reduced to a price equal to the product obtained by multiplying such Series A-1 Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for the additional stock so issued would purchase at

such Series A-1 Conversion Price as in effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of additional stock so issued, (Y) the Conversion Price for the Series A-2 Stock (the "Series A-2 Conversion Price") in effect immediately prior to each such New Dilutive Issuance shall automatically be reduced to a price equal to the product obtained by multiplying such Series A-2 Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for the additional stock so issued would purchase at such Series A-2 Conversion Price as in effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of additional stock so issued, and (Z) the Conversion Price for the Series A-3 Stock (the "Series A-3 Conversion Price") in effect immediately prior to each such New Dilutive Issuance shall automatically be reduced to a price equal to the product obtained by multiplying such Series A-3 Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for the additional stock so issued would purchase at such Series A-3 Conversion Price as in effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including, without limitation, shares of Common Stock issued or issuable upon conversion of the outstanding Preferred Stock, but excluding shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock) plus the number of shares of additional stock so issued. For purposes of this Section B.7(e)(i), the number of shares of Common Stock deemed issuable upon conversion of such outstanding shares of Existing Preferred Stock shall be determined without giving effect to any adjustments to the applicable Conversion Price resulting from the New Dilutive Issuance that is the subject of this calculation. For purposes of Part B of this Certificate, the term "Series A-4 Conversion Price" shall mean the Conversion Price of the Series A-4 Stock, the term "Series A-5 Conversion Price" shall mean the Conversion Price of the Series A-5 Stock and the term "Series A-6 Conversion Price" shall mean the Conversion Price of the Series A-6 Stock. For the purposes of any adjustment of the Conversion Price pursuant to this Section B.7(e)(i), the following provisions shall be applicable.

a. In the case of the issuance of Common Stock in whole or in part for cash, the consideration shall be deemed to be the amount of cash paid therefor after deducting therefrom any discounts, commissions or other expenses allowed, paid or incurred by the Corporation for any underwriting or otherwise in connection with the issuance and sale thereof, plus the value of any property other than cash received by the Corporation, determined as provided in Section B.7(e)(i)(b) hereof, plus the value of any other consideration received by the Corporation determined as set forth in Section B.7(e)(i)(c) hereof.

b. In the case of the issuance of Common Stock for a consideration in whole or in part in property other than cash, the value of such property other than cash shall be deemed to be the fair market value of such property as determined in good faith by the Board of

Directors, irrespective of any accounting treatment; provided, however, that such fair market value of such property as determined by the Board of Directors shall not exceed the aggregate Current Market Price (as defined in Section B.7(e)(viii) hereof) of the shares of Common Stock or such other securities being issued, less any cash consideration paid for such shares, determined as provided in Section B.7(e)(i)(a) hereof and less any other consideration received by the Corporation for such shares, determined as set forth in Section B.7(e)(i)(c) hereof.

c. In the case of the issuance of Common Stock for consideration in whole or in part other than cash or property, the value of such other consideration shall be deemed to be the aggregate par value of such Common Stock (or the aggregate stated value if such Common Stock has no par value).

d. In the case of the issuance of options or other rights to purchase or subscribe for Common Stock or the issuance of securities by their terms convertible into or exchangeable or exercisable for Common Stock or options to purchase or other rights to subscribe for such convertible or exchangeable or exercisable securities:

i. the aggregate maximum number of shares of Common Stock deliverable upon exercise of such options to purchase or rights to subscribe for Common Stock shall be deemed to have been issued at the time such options or rights were issued and for a consideration equal to the consideration (determined in the manner provided in Sections B.7(e)(i)(a), (b) and (c) hereof), if any, received by the Corporation upon the issuance of such options or rights plus the minimum purchase price provided in such options or rights for the Common Stock covered thereby (the consideration in each case to be determined in the manner provided in Sections B.7(e)(i)(a), (b) and (c) hereof);

ii. the aggregate maximum number of shares of Common Stock deliverable upon conversion of, or in exchange for, any such convertible or exchangeable securities or upon the exercise of options to purchase or rights to subscribe for such convertible or exchangeable securities and subsequent conversion or exchange thereof shall be deemed to have been issued at the time such securities were issued or such options or rights were issued and for a consideration equal to the consideration received by the Corporation for any such securities and related options or rights (excluding any cash received on account of accrued interest or accrued dividends), plus the minimum additional consideration, if any, to be received by the Corporation upon the conversion or exchange of such securities or the exercise of any related options or rights (the consideration in each case to be determined in the manner provided in Sections B.7(e)(i)(a), (b) and (c) hereof);

iii. if there is any change (whether automatic pursuant to the terms contained therein or as a result of the amendment of such terms) in the exercise price of, or number of shares deliverable upon exercise of, any such options or rights or upon the conversion or exchange of any such convertible or exchangeable securities (other than a change resulting from the original antidilution provisions thereof in place at the time of issuance of such security), then the applicable Conversion Price shall automatically be readjusted in proportion to such change (notwithstanding the foregoing, no adjustment pursuant to this clause shall have the effect of increasing the applicable Conversion Price to an amount which exceeds the lower of (i) the applicable Conversion Price on the original adjustment date, or (ii) the applicable Conversion Price that would have resulted from any Dilutive Issuances between the original adjustment date and such readjustment date);

iv. upon the expiration of any such options or rights or the termination of any such rights to convert or exchange such convertible or exchangeable securities (or in the event that the change that precipitated an adjustment pursuant to Section

B.7(e)(i)(d)(iii) hereof is reversed or terminated, or expires), then the applicable Conversion Price shall be automatically readjusted to the applicable Conversion Price that would have been obtained had such options, rights or convertible or exchangeable securities not been issued; and

v. if the terms of any option or convertible security (excluding options or convertible securities which, upon exercise, conversion or exchange thereof, would entitle the holder thereof to receive shares of Common Stock which are Excluded Stock), the issuance of which was not a New Dilutive Issuance, are revised after the Series A-1 Original Issuance Date (either automatically pursuant the provisions contained therein or as a result of an amendment to such terms) to provide for either (1) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such option or convertible security or (2) any decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such option or convertible security, as so amended, and the shares of Common Stock subject thereto shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(ii) "Excluded Stock" shall mean:

a. Common Stock issued upon conversion of any shares of Preferred Stock, including any shares of Common Stock issuable upon conversion of any dividends accrued on such Preferred Stock;

b. Common Stock issued or issuable to officers, directors or employees of or consultants or independent contractors to the Corporation, pursuant to any written agreement, plan or arrangement to purchase, or rights to subscribe for, such Common Stock, including Common Stock issued under the Corporation' s 2003 Long-Term Incentive Plan, as amended, or other equity incentive plan or other agreements that have been approved in form and in substance by the New Senior Majority, calculated in accordance with Section B.6(a) of Article III herein (including, in such calculation, any outstanding restricted stock awards held by such holders), and which, as a condition precedent to the issuance of such shares, provide for the vesting of such shares and subject such shares to restrictions on transfer and rights of first offer in favor of the Corporation, and restricted stock grants to directors, employees or consultants as approved by the Board of Directors of the Corporation; provided, however, that the maximum number of shares of Common Stock heretofore or hereafter issuable pursuant to the Corporation' s 2003 Long-Term Incentive Plan, as amended, and all such agreements, plans and arrangements shall not exceed 2,015,666 shares of Common Stock;

c. Common Stock issued as a stock dividend or distribution on the Preferred Stock payable in shares of Common Stock, or capital stock of any other class issuable upon any subdivision, recombination, split-up or reverse stock split of all the outstanding shares of such class of capital stock;

d. Common Stock or other securities issued or issuable to banks, lenders or landlords, provided that each such issuance is approved by the Board of Directors, including, but not limited to, warrants to acquire Common Stock held by Silicon Valley Bank (or its affiliates, successors and assignees), warrants to purchase Preferred Stock issued or to be issued to GE Healthcare Financial Services, Inc. ("GEHFS") and Oxford Finance Corporation ("OFC") pursuant to a proposed debt financing approved by the Board of Directors (the "GE Financing"), shares of Preferred Stock issued or issuable to GE in connection with the GE Financing or upon exercise by GEHFS or OFC of warrants issued in the GE Financing and shares of common stock issuable upon conversion of any such shares of Preferred Stock issued to GEHFS or OFC pursuant to the GE Financing;

e. Common Stock or other securities issued or issuable to third parties in connection with strategic partnerships or alliances, corporate partnerships, joint ventures or other licensing transactions, provided that each such transaction and related issuance is approved by the Board of Directors, including, but not limited to, (A) any shares of Preferred Stock or Common Stock issued or issuable to Ipsen Pharma SAS ("Ipsen"), pursuant to the terms of that certain License Agreement, as amended and may be amended with the approval of the Board of Directors of the Corporation and in effect from time to time, by and between the Corporation and Ipsen as payment for milestones in lieu of cash payments and (B) shares of Series A-5 Stock issued or issuable pursuant to

that certain Stock Issuance Agreement as of March 29, 2011 by and between the Corporation and Nordic Bioscience and the letter agreement as of March 29, 2011 by and between the Corporation and Nordic Bioscience, pursuant to which the Corporation will issue shares of the Corporation' s Series A-5 Convertible Preferred Stock, $0.01 par value per share and the issuance of Series A-6 Stock issued or to be issued as dividends on such Series A-5 Stock, and shares of Common Stock issuable upon conversion of any such shares of Series A-5 Stock and Series A-6 Stock;

f. Common Stock or other securities issued or issuable pursuant to the acquisition by the Corporation of any other corporation, partnership, joint venture, trust or other entity by any merger, stock acquisition, reorganization, or purchase of substantially all assets or otherwise in which the Corporation or its stockholders of record immediately prior to the effective date of such transaction, directly or indirectly, own at least a majority of the voting power of the acquired entity or the resulting entity after such transaction, in each case so long as approved by the Board of Directors;

g. Common Stock or other securities, the issuance of which is approved by the New Senior Majority, with such approval expressly waiving the application of the anti-dilution provisions of this Section B.7 as a result of such issuance;

h. Preferred Stock or Common Stock issued or issuable pursuant to any warrant outstanding as of the date hereof or any warrant and any shares of Preferred Stock or common stock, or common stock issued upon exercise of any Preferred Stock, issued in connection with the Qualified Financing, including, but not limited to a warrant for shares of Series A-1 Preferred Stock issued or issuable to Leerink Swan, any shares of Preferred Stock or Common Stock upon exercise thereof and any Common Stock issuable upon conversion of such Preferred Stock issued upon exercise thereof; and

i. All shares of New Preferred Stock and Common stock issued in connection with the Qualified Financing as provided in this Certificate and the Series A-1 Purchaser Agreement, and all shares of Common Stock issued or issuable upon conversion of any such shares of New Preferred Stock.

(iii) If the number of shares of Common Stock outstanding at any time after the Series A-1 Original Issuance Date (as defined in Section B.8) is increased by a stock dividend payable in shares of Common Stock or by a subdivision or split-up of shares of Common Stock, then, following the record date fixed for the determination of holders of Common Stock entitled to receive such stock dividend, subdivision or split-up, the applicable Conversion Price shall be appropriately decreased in the form of a Proportional Adjustment (as defined in Section B.8) so that the number of shares of Common Stock issuable on conversion of each share of New Preferred Stock shall be increased in proportion to such increase in outstanding shares.

(iv) If the number of shares of Common Stock outstanding at any time after the Series A-1 Original Issuance Date is decreased by a combination of the outstanding shares of Common Stock

(other than pursuant to the Reverse Split), then, following the record date for such combination, the applicable Conversion Price shall be appropriately increased in the form of a Proportional Adjustment so that the number of shares of Common Stock issuable on conversion of each share of New Preferred Stock shall be decreased in proportion to such decrease in outstanding shares.

(v) Except as otherwise contemplated in the Series A-1 Purchase Agreement, if at any time after the Series A-1 Original Issuance Date, the Corporation shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation (other than shares of Common Stock) or in cash or other property, then and in each such event provision shall be made so that the holders of the New Preferred Stock shall receive upon conversion thereof in addition to the number of shares of Common Stock receivable thereupon, the kind and amount of securities of the Corporation, cash or other property which they would have been entitled to receive had the New Preferred Stock been converted into Common Stock on the date of such event and had they thereafter, during the period from the date of such event to and including the conversion date, retained such securities receivable by them as aforesaid during such period, giving application to all adjustments called for during such period under this

paragraph with respect to the rights of the holders of the New Preferred Stock; and provided further, however, that no such adjustment shall be made if the holders of New Preferred Stock simultaneously receive a dividend or other distribution of such securities, cash, or other property in an amount equal to the amount of such securities, cash, or other property as they would have received if all outstanding shares of New Preferred Stock had been converted into Common Stock on the date of such event.

(vi) Subject to the provisions of Section B.4(i) above, in the event, at any time after the Series A-1 Original Issuance Date, of any capital reorganization, or any reclassification of the capital stock of the Corporation (other than pursuant to the Reverse Split, other than as contemplated under this Certificate and the Series A-1 Purchase Agreement and other than a change in par value or from par value to no par value or from no par value to par value or as a result of a stock dividend or subdivision, split-up or combination of shares), or the consolidation or merger of the Corporation with or into another person (other than pursuant to the Merger Agreement and other than a consolidation or merger in which the Corporation is the continuing corporation and which does not result in any change in the powers, designations, preferences and rights, or the qualifications, limitations or restrictions, if any, of the capital stock of the Corporation) or of the sale or other disposition of all or substantially all the properties and assets of the Corporation in their entirety to any other person (any such transaction, an "Extraordinary Transaction"), then the Corporation shall provide appropriate adjustment in the form of a Proportional Adjustment to the applicable Conversion Price with respect to each share of New Preferred Stock outstanding after the effectiveness of such Extraordinary Transaction such that each share of New Preferred Stock outstanding immediately prior to the effectiveness of the Extraordinary Transaction shall be convertible into the kind and number of shares of stock or other securities or property of the Corporation, or of the corporation resulting from or surviving such Extraordinary Transaction, that a holder of the number of shares of Common Stock deliverable (immediately prior to the effectiveness of the Extraordinary Transaction) upon conversion of such share of New Preferred Stock would have been entitled to receive upon such Extraordinary Transaction. The provisions of this Section B.7(e)(vi) shall similarly apply to successive Extraordinary Transactions.

(vii) All calculations under this Section B.7(e) shall be made to the nearest one-tenth of a cent ($.001) or to the nearest one-tenth of a share, as the case may be.

(viii) For the purpose of any computation pursuant to Section B.7(d), Section B.3(a) hereof or this Section B.7(e), the "Current Market Price" at any date of one share of Common Stock shall be defined as the average of the daily closing prices for the 20 consecutive Business Days ending on the fifth (5th) Business Day before the day in question (as adjusted for any stock dividend, split-up,

combination or reclassification that took effect during such 20 Business Day period), determined as follows:

a. If the Common Stock is listed or admitted for trading on a national securities exchange, then the closing price for each day shall be the last reported sales price regular way or, in case no such reported sales took place on such day, the average of the last reported bid and asked prices regular way, in either case on the principal national securities exchange on which the Common Stock is listed or admitted to trading.

b. If the Common Stock is not at the time listed or admitted for trading on any such exchange, then such price shall be equal to the last reported bid and asked prices on such day as reported by the NASD OTCBB or the National Quotation Bureau, Inc., or any similar reputable quotation and reporting service if such quotation is not reported by the NASD OTCBB or the National Quotation Bureau, Inc.

c. If the Common Stock is not traded in such manner that the quotations referred to in this Section B.7(d)(viii) are available for the period required hereunder, then the Current Market Price shall be the fair market value of such share, as determined in good faith by a majority of the entire Board of Directors.

(ix) In any case in which the provisions of this Section B.7(e) shall require that an adjustment shall become effective immediately after a record date for an event, the Corporation may defer until the occurrence of such event (A) issuing to the holder of any shares of New Preferred Stock converted after such record date and before the occurrence of such event the additional shares of capital stock

issuable upon such conversion by reason of the adjustment required by such event over and above the shares of capital stock issuable upon such conversion before giving effect to such adjustment, and (B) paying to such holder any cash amounts in lieu of fractional shares pursuant to Section B.7(d) hereof; provided, however, that the Corporation shall deliver to such holder a due bill or other appropriate instrument evidencing such holder' s right to receive such additional shares and such cash upon the occurrence of the event requiring such adjustment.

(x) If a state of facts shall occur that, without being specifically controlled by the provisions of this Section B.7, would not fairly protect the conversion rights of the holders of the New Preferred Stock in accordance with the essential intent and principles of such provisions, then the Board of Directors shall make an adjustment in the application of such provisions, in accordance with such essential intent and principles, so as to protect such conversion rights.

(f) Whenever the applicable Conversion Price shall be adjusted as provided in Section B.7(e) hereof, the Corporation shall forthwith file and keep on record at the office of the Secretary of the Corporation and at the office of its transfer agent or at such other place as may be designated by the Corporation, a statement, signed by both its President or Chief Executive Officer and its Treasurer or Chief Financial Officer, showing in detail the facts requiring such adjustment and the applicable Conversion Price that shall be in effect after such adjustment. The Corporation shall also cause a copy of such statement to be sent by first-class, certified mail, return receipt requested, postage prepaid, to each New Preferred Stockholder at such holder' s address appearing on the Corporation' s records. Where appropriate, such copy shall be given in advance of any such adjustment and shall be included as part of a notice required to be mailed under the provisions of Section B.7(g) hereof.

(g) In the event the Corporation shall propose to take any action of the types described in Section B.7(e)(i), (iii), (iv) or (v) hereof, or any other Event of Sale, other then the transactions contemplated by the Series A-1 Purchase Agreement and the Merger Agreement, the Corporation shall give

notice to each New Preferred Stockholder in the manner set forth in Section B.7(f) hereof, which notice shall specify the record date, if any, with respect to any such action and the date on which such action is to take place. Such notice shall also set forth such facts with respect thereto as shall be reasonably necessary to indicate the effect of such action (to the extent such effect may be known at the date of such notice) on the applicable Conversion Price with respect to the New Preferred Stock, and the number, kind or class of shares or other securities or property which shall be deliverable or purchasable upon each conversion of New Preferred Stock. In the case of any action (other than any action contemplated or required by the Series A-1 Purchase Agreement or Merger Agreement) that would require the fixing of a record date, such notice shall be given at least 20 days prior to the record date so fixed, and in the case of any other action, such notice shall be given at least 30 days prior to the taking of such proposed action.

(h) The Corporation shall pay all documentary, stamp or other transactional taxes attributable to the issuance or delivery of shares of capital stock of the Corporation upon conversion of any shares of New Preferred Stock; provided, however, that the Corporation shall not be required to pay any taxes which may be payable in respect of any transfer involved in the issuance or delivery of any certificate for such shares in a name other than that of the New Preferred Stockholder in respect of which such shares of New Preferred Stock are being issued.

(i) The Corporation shall reserve out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the New Preferred Stock, sufficient shares of Common Stock to provide for the conversion of all outstanding shares of New Preferred Stock.

(j) All shares of Common Stock which may be issued in connection with the conversion provisions set forth herein will, upon issuance by the Corporation, be validly issued, fully paid and nonassessable, not subject to any preemptive or similar rights, and free from all taxes, liens or charges with respect thereto created or imposed by the Corporation.

8. Definitions. As used in this Part B of Article III of this Certificate, the following terms shall have the corresponding meanings:

"Business Day" shall mean any day other than a Saturday, Sunday or day on which banks are closed in the city and state where the principal executive office of the Corporation is located.

"Series A-1 Original Issuance Date" shall mean the date of issuance by the Corporation of the first share of Series A-1 Stock to be issued by the Corporation.

"Series A-1 Original Purchase Price" shall mean, with respect to the Series A-1 Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section B.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series A-2 Original Purchase Price" shall mean, with respect to the Series A-2 Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section B.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series A-3 Original Purchase Price" shall mean, with respect to the Series A-3 Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section B.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series A-4 Original Purchase Price" shall mean, with respect to the Series A-4 Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section B.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series A-5 Original Purchase Price" shall mean, with respect to the Series A-5 Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section B.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Series A-6 Original Purchase Price" shall mean, with respect to the Series A-6 Stock and after giving effect to the Reverse Split, $8.142 per share, subject, for all purposes other than Section B.7 hereof (which provisions shall be applied in accordance with their own terms), to Proportional Adjustment.

"Proportional Adjustment" shall mean an adjustment made to the price of the Preferred Stock upon the occurrence of a stock split, reverse stock split, stock dividend, stock combination reclassification or other similar change with respect to such security, such that the price of one share of the New Preferred Stock before the occurrence of any such change shall equal the aggregate price of the share (or shares or fractional share) of such security (or any other security) received by the holder of the New Preferred Stock with respect thereto upon the effectiveness of such change. Notwithstanding the foregoing, the Reverse Split shall not trigger or give rise to any Proportional Adjustment.

9. Forced Conversion and Forfeiture Upon Failure to Perform Future Funding Obligations Pursuant to the Series A-1 Purchase Agreement.

(a) Trigger Event. In the event that an Investor (as defined in the Series A-1 Purchase Agreement) does not timely and completely fulfill his, her or its Future Funding Obligations (as defined in the Series A-1 Purchase Agreement) in the Qualified Financing pursuant to the terms of Series A-1 Purchase Agreement, then (i) all shares of New Preferred Stock then held by such Investor shall automatically, and without any further action on the part of such Investor, be converted into shares of Common Stock at a rate of 1 share of Common Stock for every 10 shares of New Preferred Stock to be so converted and (ii) the Corporation shall have the right to repurchase and such holders shall be required to sell all shares of Common Stock issued upon conversion (either pursuant to the foregoing clause (i) or otherwise) of all Additional A-1 Preferred Stock (as defined in the Series A-1 Purchase Agreement), all Series A-2 Stock, all Series A-3 Stock and all Series A-4 Stock issued to such Investor pursuant to the Automatic Reclassification (as defined in the Series A-1 Purchase Agreement) (the "Repurchased Shares") for a per share purchase price equal to the par value of such Repurchased Share and all such Repurchased Shares

shall thereafter be cancelled by the Corporation and no longer be issued and outstanding shares of capital stock of the Corporation, in accordance with Section 4(e) of the Series A-1 Purchase Agreement and Section 9.(b) below. The conversion and repurchase of shares to the Corporation set forth in this Section 9.(a) is referred to as a "Subsequent Closing Adjustment".

(b) Procedural Requirements. Upon a Subsequent Closing Adjustment, each holder of shares of New Preferred Stock converted pursuant to Section B.9(a) shall be sent written notice of such Subsequent Closing Adjustment and the place designated for mandatory conversion of all such shares of New Preferred Stock and the repurchase of all Repurchased Shares. Upon receipt of such notice, each holder of such shares of New Preferred Stock and Repurchased Shares shall surrender his, her or its certificate or certificates for all such shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to

indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice. If so required by the Corporation, certificates surrendered for conversion or repurchase shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her or its attorney duly authorized in writing. All rights with respect to the New Preferred Stock so converted or such Repurchased Shares to be repurchased, including the rights, if any, to receive notices and vote (other than as a holder of shares of Common Stock that are not Repurchased Shares), will terminate at the time of the failure to fulfill the obligations of any Closing (as defined in the Series A-1 Purchase Agreement) (notwithstanding the failure of the holder or holders thereof to surrender the certificates for such shares at or prior to such time), except only the rights of the holders thereof, upon surrender of their certificate or certificates therefor (or lost certificate affidavit and agreement), to receive the items provided for in the next sentence of this Section B.9(b). As soon as practicable after the surrender of the certificate or certificates (or lost certificate affidavit and agreement) for New Preferred Stock so converted that is not included among the Repurchased Shares, the Corporation shall issue and deliver to such holder, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof, together with cash as provided in B.7(d) in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and the payment of any declared but unpaid dividends on the shares of New Preferred Stock converted. Such converted New Preferred Stock, together with all Repurchased Shares pursuant to B.9(a)(ii) shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of New Preferred Stock and Common Stock accordingly.

10. Special Mandatory Conversion.

(a) Trigger Events. Each share of New Preferred Stock shall be automatically converted into fully paid and non-assessable shares of Common Stock at the then-effective applicable Conversion Price in the event that (i) the New Senior Majority shall have elected to convert all shares of New Preferred Stock or (2) the Common Stock of the Corporation becomes listed for trading on a national securities exchange. Each of the conversions set forth in this Section B.10(a) is referred to as a "Special Mandatory Conversion." All accrued but unpaid dividends on shares New Preferred Stock shall be paid, in cash or additional shares at the discretion of the Board of Directors, in connection with any Special Mandatory Conversion.

(b) Procedural Requirements. Upon a Special Mandatory Conversion, each holder of shares of New Preferred Stock converted pursuant to Section B.10(a) shall be sent written notice of such Special Mandatory Conversion and the place designated for mandatory conversion of all shares of New Preferred Stock. Upon receipt of such notice, each holder of such shares of New Preferred Stock shall surrender his, her or its certificate or certificates for all such shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice. If so required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her or its attorney duly authorized in writing. All rights with respect to the New Preferred Stock so converted, including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the time of the Special Mandatory Conversion (notwithstanding

the failure of the holder or holders thereof to surrender the certificates for such shares at or prior to such time), except only the rights of the holders thereof, upon surrender of their certificate or certificates therefor (or lost certificate affidavit and agreement), to receive

the items provided for in the next sentence of this Section B.10(b). As soon as practicable after the Special Mandatory Conversion and the surrender of the certificate or certificates (or lost certificate affidavit and agreement) for New Preferred Stock so converted, the Corporation shall issue and deliver to such holder, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof, together with cash as provided in B.7(d) in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and the payment of any declared but unpaid dividends on the shares of New Preferred Stock converted, and a new certificate for the number of shares, if any, of New Preferred Stock represented by such surrendered certificate and not converted pursuant to B.10(a). Such converted New Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of New Preferred Stock accordingly.

(c) Duration of Section. This Section B.10 and the rights and obligations of the parties hereunder shall automatically terminate on the consummation of a Liquidation or an Event of Sale.

PART C. COMMON STOCK

1. Designation and Amount. The number of shares, powers, terms, conditions, designations, preferences and privileges, relative, participating, optional and other special rights, and qualifications, limitations and restrictions of the Common Stock shall be as set forth in this Part C of Article III of this Certificate. The number of authorized shares of Common Stock shall initially be Thirty-four Million Eight Hundred Fifty-nine Thousand Nine Hundred Sixty-four (34,859,964) shares. Such authorized shares of Common Stock may be increased or decreased (but not below the combined number of shares thereof then outstanding and those reserved for issuance upon conversion of the Preferred Stock) by the affirmative vote of the holders of the majority of the stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the Delaware General Corporation Law. The affirmative vote of the holders of shares of Common Stock, voting alone as a class, will not be required in connection therewith.

2. Voting. Except as provided in this Certificate or by applicable law, each Common Stockholder shall be entitled to one vote only for each share of Common Stock held of record on all matters as to which holders of Common Stock shall be entitled to vote, which voting rights shall not be cumulative.

3. Other Rights. Each share of Common Stock issued and outstanding shall be identical in all respects with each other such share, and no dividends shall be paid on any shares of Common Stock unless the same dividend is paid on all shares of Common Stock outstanding at the time of such payment. Except for and subject to those rights expressly granted to the holders of Preferred Stock and except as may be provided by the laws of the State of Delaware, the holders of Common Stock shall have all other rights of stockholders, including, without limitation, (a) the right to receive dividends, when and as declared by the Board of Directors, out of assets lawfully available therefor, and (b) in the event of any distribution of assets upon a Liquidation or Liquidation, after and subject to distribution to the holders of Preferred Stock and any other class or series of capital stock (other than the Common Stock) ranking senior to Common Stock of all amounts such class is entitled to receive pursuant to this Certificate, the right to receive ratably and equally, together with the holders of the Series A-1 Stock, Series A-2 Stock and Series A-3 Stock pursuant to this Certificate, all the remaining assets and funds of the Corporation.

ARTICLE IV
Registered Agent

The address of its registered office in the State of Delaware is 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, New Castle County. The name of its registered agent at such address is: Corporation Service Company.

ARTICLE V
Board of Directors

The entire Board of Directors of the Corporation shall consist of seven (7) persons. Unless and except to the extent that the by-laws of the Corporation otherwise require, the election of directors of the Corporation need not be by written ballot.

ARTICLE VI
By-laws

In furtherance and not in limitation of the powers conferred by the laws of the State of Delaware, the Board of Directors is expressly authorized to adopt, amend or repeal the by-laws of the Corporation subject to the provisions of Section A.6(f)(ix) of Article III hereof.

ARTICLE VII
Perpetual Existence

The Corporation is to have perpetual existence.

ARTICLE VIII
Amendments and Repeal

Except as otherwise specifically provided in this Certificate, the Corporation reserves the right at any time, and from time to time, to amend, alter, change or repeal any provision contained in this Certificate, and to add or insert other provisions authorized at such time by the laws of the State of Delaware, in the manner now or hereafter prescribed by law; and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Certificate in its present form or as hereafter amended are granted subject to the rights reserved in this Article VIII.

ARTICLE IX
Compromises and Arrangements

Whenever a compromise or arrangement is proposed between this Corporation and its creditors or any class of them and/or between this Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this Corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for this Corporation under the provisions of Section 291 of Title 8 of the DGCL or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under the provisions of Section 279 of Title 8 of the DGCL, order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, which parties are to be summoned in such manner as the court directs. If a majority in number representing three-fourths (3/4) in value of either the creditors or a class of creditors and/or of the stockholders or a class of stockholders of this Corporation, as the case may be, agree to any compromise

or arrangement and to any reorganization of this Corporation as a consequence of such compromise or arrangement, said compromise or arrangement and said reorganization shall, if sanctioned by the court to which said application has been made, be binding on all the creditors or class of creditors and/or on all the stockholders or class of stockholders of this Corporation, as the case may be, and also on this Corporation.

ARTICLE X
Limitation of Liability

1. The Corporation shall, to the fullest extent permitted by Section 145 of the DGCL, as the same may be amended and supplemented from time to time, indemnify and advance expenses to (i) its directors (including observers to the Board of Directors) and officers, and (ii) any person who at the request of the Corporation is or was serving as a director (including observers to the Board of Directors), officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, from and against any and all of the expenses, liabilities, or other matters referred to in or covered by said section as amended or supplemented (or any successor thereto), provided, however, that except with respect to proceedings to enforce rights to indemnification, the by-laws of the Corporation may provide that the Corporation shall indemnify any director (including observers to the Board of Directors), officer or such person in connection with a proceeding (or part thereof) initiated by such director (including observers to the Board of Directors), officer or such person only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. The Corporation, by action of its Board of Directors, may provide indemnification or advance expenses to employees and agents of the Corporation or other persons only on such terms and conditions and to the extent determined by the Board of Directors in its sole and absolute discretion. The indemnification provided for herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any by-law, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in their official capacity and as to action in another capacity while holding such office. The indemnification provided for herein shall continue as to a person who has ceased to be a director, officer, employee, or agent of the Corporation and shall inure to the benefit of the heirs, executors and administrators of such a person.

2. No director (including observers to the Board of Directors) of this Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent that exemption from liability or limitation thereof is not permitted under the DGCL as in effect at the time such liability or limitation thereof is determined. No amendment, modification or repeal of this Article X shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment, modification or repeal. If the DGCL is amended after approval by the stockholders of this Article 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.

3. The Corporation hereby renounces, to the fullest extent permitted by Section 122(17) of the DGCL, any interest or expectancy of the Corporation in, or in being offered an opportunity to participate in, any business opportunities that are presented to any of its directors who are not otherwise employed by the Corporation, other than business opportunities that are presented to any director acting solely and specifically in his or her capacity as a director of the Corporation. No amendment or repeal of this Article shall apply to or have any effect on the liability or alleged liability of any such director for or with respect to any opportunities of which such director become aware prior to such amendment or repeal.

(remainder of this page intentionally left blank.)

IN WITNESS WHEREOF, the undersigned has caused this Certificate to be duly executed on behalf of the Corporation on , 2011.

RADIUS HEALTH, INC.

By: _____

Name: C. Richard Edmund Lyttle

Title: Chief Executive Officer and President

Exhibit B

Form of Stockholders' Agreement

Execution Copy

AMENDED AND RESTATED
STOCKHOLDERS' AGREEMENT

THIS AMENDED AND RESTATED STOCKHOLDERS' AGREEMENT, dated this 17th day of May, 2011, is entered into by and among (i) Radius Health, Inc., a Delaware corporation (the "Corporation"), (ii) those common stockholders of the Corporation listed on Schedule 1 hereto (hereinafter referred to collectively as the "Common Stockholders"), (iii) those stockholders of the Corporation who hold Series A-1 Convertible Preferred Stock, par value $.01 per share ("Series A-1 Preferred Stock"), listed on Schedule 2 hereto (hereinafter referred to collectively as the "Series A-1 Stockholders"), (iv) those stockholders of the Corporation who hold Series A-2 Convertible Preferred Stock, par value $.01 per share ("Series A-2 Preferred Stock"), listed on Schedule 3 hereto (hereinafter referred to collectively as the "Series A-2 Stockholders"), (v) those stockholders of the Corporation who hold Series A-3 Convertible Preferred Stock, par value $.01 per share ("Series A-3 Preferred Stock"), listed on Schedule 4 hereto (hereinafter referred to collectively as the "Series A-3 Stockholders"), (vi) those stockholders of the Corporation who hold Series A-4 Convertible Preferred Stock, par value $.01 per share ("Series A-4 Preferred Stock"), listed on Schedule 5 hereto (hereinafter referred to collectively as the "Series A-4 Stockholders"), (vii) that certain stockholder of the Corporation who holds Series A-5 Convertible Preferred Stock, par value $.01 per share ("Series A-5 Preferred Stock"), listed on Schedule 6 hereto (hereinafter referred to as the "Series A-5 Stockholder") and (viii) any person or entity that becomes a party hereto pursuant to Section 17 hereof or otherwise (the "Additional Stockholders").

WITNESSETH:

WHEREAS, the Corporation and the Series A-1 Stockholders have entered into a Series A-1 Convertible Preferred Stock Purchase Agreement, dated the date hereof (the "Stock Purchase Agreement"), in connection with which the Corporation has agreed to sell shares Series A-1 Preferred Stock, and the Corporation desires to grant to the Series A-1 Stockholders certain registration and other rights with respect to such shares;

WHEREAS, the Corporation and certain of the other parties hereto entered into an Amended and Restated Stockholders' Agreement, dated December 15, 2006, as amended by Amendment No. 1 to Amended and Restated Stockholders' Agreement, dated February 22, 2007, Amendment No. 2 to Amended and Restated Stockholders' Agreement, dated August 17, 2007, and Amendment No. 3 to Amended and Restated Stockholders' Agreement, dated October 18, 2008 (as so amended, the "Prior Agreement"), which Prior Agreement the requisite persons desire to amend and restate in its entirety as set forth herein; and

WHEREAS, as a condition to Series A-1 Stockholders entering into the Stock Purchase Agreement, the Common Stockholders, Series A-2 Stockholders, Series A-3 Stockholders, Series A-4 Stockholders, Series A-5 Stockholder and Series A-6 Stockholder (as hereinafter defined) have agreed to certain restrictions on their rights to dispose of their shares of Common Stock (as hereinafter defined) and Preferred Stock (as hereinafter defined) as contained in this Agreement;

NOW, THEREFORE, in consideration of the foregoing and of the respective covenants and undertakings of the Corporation and the Stockholders hereunder and under the Stock Purchase Agreement, the parties hereto do hereby agree as follows:

SECTION 1. Definitions. As used herein, the following terms shall have the following respective meanings:

Board shall mean the Board of Directors of the Corporation.

BB Bio shall mean BB Biotech Ventures II, L.P. including any successor thereto or any assignee of the interest, in whole or in part, of BB Bio under this Agreement

BB Bio Group shall mean: (i) BB Bio; (ii) BB BIOTECH AG, (iii) any investment fund limited partnership now existing or hereafter formed which is affiliated with or under common control with one or more general partners of any general partner of any of the foregoing (a "BB Bio Fund"); (iv) any limited partners or affiliates of BB Bio or any other BB Bio Fund; and (v) any successors or assigns of any of the foregoing.

Brookside shall mean Brookside Capital Partners Fund L.P., a Delaware limited partnership, including any successor thereto or any assignee of the interest, in whole or in part, of Brookside Capital Partners Fund L.P. under this Agreement.

Brookside Group shall mean: (i) Brookside; (ii) any investment fund limited partnership now existing or hereafter formed which is affiliated with or under common control with one or more general partners of any general partner of Brookside (a "Brookside Fund"); (iii) any limited partners or affiliates of Brookside or any other Brookside Fund; and (iv) any successors or assigns of any of the foregoing.

Certificate shall mean the Fourth Amended and Restated Certificate of Incorporation of the Corporation and the certificate of incorporation of the Corporation' s successors and assigns, each as amended from time to time.

Commission shall mean the U.S. Securities and Exchange Commission.

Common Stock shall mean the Common Stock, par value $.01 per share, of the Corporation.

Effectiveness Date means, with respect to the Registration Statement required to be filed under Section 3.4(a), the 90th calendar day following the Closing Date; provided, however, that, if the Commission reviews and has written comments to the filed Registration Statement, then the Effectiveness Date shall be the 180th calendar day following the Closing Date; provided further, however, that in the event the Corporation is notified by the Commission that the Registration Statement will not be reviewed or is no longer subject to further review and comments, the Effectiveness Date shall be the fifth Trading Day following the date on which the Corporation is so notified if such date precedes the dates required above; provided further, however, that if the Effectiveness Date falls on a Saturday, Sunday or other day on which the Commission is not open for business, then the Effectiveness Date shall be extended to the next day on which the Commission is open for business.

Effectiveness Period shall have the meaning set forth in Section 3.4(a) hereof.

Equity Percentage shall mean, as to any Series A-1 Stockholder or Other Preferred Stockholder, as applicable, that percentage figure which expresses the ratio that (a) the number of shares of issued and outstanding Common Stock then owned by such Series A-1 Stockholder or Other Preferred Stockholder bears to (b) the aggregate number of shares of issued and outstanding Common Stock then owned by all Series A-1 Stockholders and Other Preferred Stockholders. For purposes solely of the computation set forth in clauses (a) and (b) above and the right of oversubscription (as set forth in Section 2.3(d)), all issued and outstanding securities held by the Series A-1 Stockholders and Other Preferred Stockholders that are convertible into or exercisable or exchangeable for shares of Common Stock (including any issued and issuable shares of Preferred Stock) or for any such convertible, exercisable or exchangeable securities, shall be treated as having been so converted, exercised or exchanged at the rate

or price at which such securities are convertible, exercisable or exchangeable for shares of Common Stock in effect at the time in question (which, for purposes of Section 2.3 of this Agreement, shall be at the time of delivery by the Corporation of the notice of the Offer contemplated by Section 2.3(b)), whether or not such securities are at such time immediately convertible, exercisable or exchangeable.

Event shall have the meaning set forth in Section 3.4(b) hereof.

Event Date shall have the meaning set forth in Section 3.4(b) hereof.

Exchange Act shall mean the Securities Exchange Act of 1934, as amended.

Exchange Act Registration Statement shall have the meaning set forth in Section 2.5 hereof.

Excess Securities shall have the meaning set forth in Section 2.3(d) hereof.

Excess Securities Notice shall have the meaning set forth in Section 2.3(d) hereof.

Excess Securities Period shall have the meaning set forth in Section 2.3(d) hereof.

Excluded Forms shall have the meaning given such term in Section 3.5 hereof.

Excluded Securities shall mean, collectively:

(i) the Reserved Shares:

(ii) Common Stock issued or issuable to officers, directors or employees of or consultants or independent contractors to the Corporation, pursuant to any written agreement, plan or arrangement, including pursuant to any options granted under the 2003 Long-Term Incentive Plan, as amended, of the Corporation, to purchase, or rights to subscribe for, such Common Stock, that has been approved in form and in substance by the holders of a majority of the voting power of the Series A-1 Preferred Stock then outstanding, calculated in accordance with Section A.6(a) of Article III of the Certificate, and which, as a condition precedent to the issuance of such shares, provides for the vesting of such shares and subjects such shares to restrictions on Transfers and rights of first offer in favor of the Corporation; provided, however, that the maximum number of shares of Common Stock heretofore or hereafter issuable pursuant to the 2003 Long-Term Incentive Plan, as amended, and all such agreements, plans and arrangements shall not exceed 2,015,666 shares of Common Stock;

(iii) Common Stock issued as a stock dividend payable in shares of Common Stock, or capital stock of any class issuable upon any subdivision, recombination, split-up or reverse stock split of all the outstanding shares of such class of capital stock of the Corporation;

(iv) Common Stock or other securities issued or issuable pursuant to the acquisition by the Corporation of any other corporation, partnership, joint venture, trust or other entity by any merger, stock acquisition, reorganization, purchase of substantially all assets or otherwise in which the Corporation, or its stockholders of record immediately prior to the effective date of such transaction, directly or indirectly, own at least a majority of the voting power of the acquired entity or the resulting entity after such transaction, in each case so long as such transaction is approved by the Board of Directors;

(v) Common Stock or other securities issued or issuable to banks, lenders or landlords, provided that each such issuance is approved by the Board of Directors, including, but not limited to, warrants to acquire Common Stock held by Silicon Valley Bank (or its affiliates, successors and assignees), warrants to purchase Preferred Stock issued or to be issued to GE Healthcare Financial Services, Inc. ("GEHFS") and Oxford Finance Corporation ("OFC") pursuant to a proposed debt financing approved by the Board of Directors (the "GE Financing"), shares of Preferred Stock issued or issuable to GE in connection with the GE Financing or upon exercise by GEHFS or OFC of warrants issued in the GE Financing and shares of common stock issuable upon conversion of any such shares of Preferred Stock issued to GEHFS or OFC pursuant to the GE Financing;

(vi) Common Stock or other securities issued or issuable to third parties in connection with strategic partnerships or alliances, corporate partnerships, joint ventures or other licensing transactions, provided that each such transaction and related issuance is approved by the Board of Directors, including, but not limited to, (A) any shares of Preferred Stock or Common Stock issued or issuable to Ipsen Pharma SAS ("Ipsen"), pursuant to the terms of that certain License Agreement, as amended and may be amended with the

approval of the Board of Directors of the Corporation and in effect from time to time, by and between the Corporation and Ipsen as payment milestones in lieu of cash payments and (B) shares of Series A-5 Stock issued or issuable pursuant to that certain Stock Issuance Agreement as of March 29, 2011 by and between the Corporation and Nordic Bioscience and the letter agreement as of March 29, 2011 by and between the Corporation and Nordic Bioscience, pursuant to which the Corporation will issue shares of the Corporation' s Series A-5 Convertible Preferred Stock, $0.01 par value per share and the issuance of Series A-6 Stock issued or to be issued as dividends on such Series A-5 Stock, and shares of Common Stock issuable upon conversion of any such shares of Series A-5 Stock and Series A-6 Stock;

(vii) Common Stock or other securities, the issuance of which is approved by the Majority Investors, with such approval expressly waiving the application of the anti-dilution or right of first refusal provisions of the Agreement as a result of such issuance;

(viii) Preferred Stock or Common Stock issued or issuable pursuant to any warrant outstanding as of the date hereof or any warrant and any shares of Preferred Stock or common stock, or common stock issued upon exercise of any Preferred Stock, issued in connection with the Qualified Financing, including, but not limited to a warrant for shares of Series A-1 Preferred Stock issued or issuable to Leerink Swan, any shares of Preferred Stock or Common Stock upon exercise thereof and any Common Stock issuable upon conversion of such Preferred Stock issued upon exercise thereof; and

(ix) All shares of Preferred Stock and Common Stock issued pursuant to the Stock Purchase Agreement and related recapitalization, as the same may be amended from time to time by the parties thereto in accordance with its terms, and all shares of Common Stock issued or issuable upon conversion of any such shares of Preferred Stock.

Filing Date means, with respect to the Registration Statement required to be filed under Section 3.4, the 60th calendar day following the date of consummation of the Merger; provided, however, that if the Filing Date falls on a Saturday, Sunday or other day on which the Commission is not open for business, then the Filing Date shall be extended to the next day on which the Commission is open for business.

FINRA shall have the meaning set forth in Section 3.4(b)(viii) hereof.

Group shall mean: (i) as to any Stockholder that is a corporation or other entity, any and all of the venture capital limited partnerships or corporations now existing or hereafter formed that are affiliated with or under common control with one or more of the controlling stockholders of such Stockholder and any predecessor or successor thereto; (ii) in the case of any member of the HCV Group, any other member of the HCV Group; (iii) in the case of any member of the MPM Group, any other member of the MPM Group; (iv) in the case of any member of the Brookside Group, any other member of the Brookside Group; (v) in the case of any member of the Oxford/Saints Group, any other member of the Oxford/Saints Group; (vi) in the case of any member of the BB Bio, any other member of the BB Bio Group and (vi) in the case of Wellcome, any successor trustee of the Wellcome Trust or additional trustee or trustees of the Wellcome Trust from time to time, or any company whose shares are all held directly or indirectly by the Wellcome Trust, or any nominee or custodian of any such person.

HCV Group shall mean: (i) HCV VII; (ii) any venture capital limited partnership now existing or hereafter formed which is affiliated with or under common control with one or more general partners of any general partner of HCV VII (an "HCV Fund"); (iii) any limited partners or affiliates of HCV VII or any other HCV Fund; and (iv) any successors or assigns of any of the foregoing.

HCV VII shall mean HealthCare Ventures VII, L.P. a Delaware limited partnership, including any successor thereto or any assignee of the interest, in whole or in part, of HCV VII under this Agreement.

Holder or Holders means the holder or holders, as the case may be, from time to time of Registrable Securities.

Independent Directors shall have the meaning set forth in Section 4.1(b) hereof.

Industry Expert Director shall have the meaning set forth in Section 4.1(b) hereof.

Investor Directors shall have the meaning set forth in Section 4.1(b) hereof.

Investors shall mean each of the persons listed on Schedule 2 hereto, severally, but not jointly and severally.

Issuer Filing shall have the meaning set forth in Section 3.4(g) hereof.

Majority Investors shall mean the holders of a majority of the voting power of the Series A-1 Preferred Stock, Series A-2 Preferred Stock and Series A-3 Preferred Stock then outstanding, voting together as a single class, calculated in accordance with Section A.6 of Article III of the Certificate (including, in such calculation, any shares issued upon conversion of such Series A-1 Preferred Stock, Series A-2 Preferred Stock and Series A-3 Preferred Stock then outstanding).

Merger shall have the meaning ascribed thereto in the Stock Purchase Agreement.

MPM shall mean MPM Capital L.P.

MPM Group shall mean (i) MPM BioVentures III, L.P., (ii) MPM BioVentures III QP. L.P., (iii) MPM BioVentures III GmbH & Co. Beteiligungs KG, (iv) MPM BioVentures III Parallel Fund, L.P., (v) MPM Asset Management Investors 2003 VIII LLC, (vi) MPM Bio IV NVS Strategic Fund, L.P., (vii) any other venture capital limited partnership now existing or hereafter formed which is affiliated with or under common control with the foregoing or one or more general partners of the foregoing, and (viii) any successors or assigns of the foregoing.

Notice of Acceptance shall have the meaning set forth in Section 2.3(c) hereof.

Offer shall have the meaning set forth in Section 2.3(b) hereof.

Offered Securities shall mean, except for Excluded Securities, (i) any shares of Common Stock, Preferred Stock or any other equity security of the Corporation, (ii) any debt security, (iii) any capitalized lease with any equity feature with respect to the Corporation, or (iv) any option, warrant or other right to subscribe for, purchase or otherwise acquire any such equity security, debt security or capitalized lease.

Option Shares shall mean the 2003 Plan Option Shares as defined in Section 5.2(a)(i)(3) of the Stock Purchase Agreement.

Other Preferred Stockholder shall mean any holder of shares of Series A-2 Preferred Stock, Series A-3 Preferred Stock, Series A-4 Preferred Stock, Series A-5 Preferred Stock or Series A-6 Preferred Stock.

Other Shares shall have the meaning set forth in Section 3.5(e) hereof.

Oxford shall mean Oxford Bioscience Partners IV L.P., until such time as such entity shall have transferred all of its Common Stock and Preferred Stock to OBP IV − Holdings LLC, at which time "Oxford" shall mean OBP IV − Holdings LLC.

Oxford/Saints Group shall mean (i) Oxford Bioscience Partners IV L.P., (ii) mRNA Fund II L.P., (iii) OBP IV − Holdings LLC, (iv) mRNA II − Holdings LLC, (v) Saints Capital VI, L.P., (vi) any other venture capital limited partnership now existing or hereafter formed which is affiliated with or under common control with the foregoing or one or more general partners of the foregoing, and (vii) any successors or assigns of the foregoing.

Person (whether or not capitalized) means an individual, corporation, partnership, limited partnership, limited liability company, syndicate, trust, association or entity or government, political subdivision, agency or instrumentality of a government.

Plan of Distribution shall have the meaning set forth in Section 3.4(a) hereof.

Preferred Shares shall mean shares of Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock, Series A-4 Preferred Stock, Series A-5 Preferred Stock and shares of the Corporation' s Series A-6 Convertible Preferred Stock, par value $0.01 per share (the "Series A-6 Preferred Stock", with any holder of Series A-6 Preferred Stock being referred to herein as a "Series A-6 Stockholder").

Preferred Stock shall mean the Preferred Stock, par value $.01 per share, of the Corporation.

Preferred Stockholders shall mean, collectively, all holders of shares of Preferred Stock of the Corporation.

Prospectus means the prospectus included in a Registration Statement (including, without limitation, a prospectus that includes any information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 430A promulgated under the Securities Act), as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of

any portion of the Registrable Securities covered by a Registration Statement, and all other amendments and supplements to the Prospectus, including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such Prospectus.

Qualified Public Offering shall have the same meaning as that set forth in the Certificate.

Refused Securities shall have the meaning set forth in Section 2.3(f) hereof.

Registrable Securities shall mean all of the Preferred Shares, the Common Stock issued or issuable upon the conversion of the Preferred Shares, all shares of Common Stock issued or issuable in respect thereof by way of stock splits, stock dividends, stock combinations, recapitalizations or like occurrences, and any other shares of Common Stock or other securities of the Corporation which may be issued hereafter to any of the Investors or any member of their Group which are convertible into or exercisable for shares of Common Stock (including, without limitation, other classes or series of convertible Preferred Stock, warrants, options or other rights to purchase Common Stock or convertible debentures or other convertible debt securities) and the Common Stock issued or issuable upon such conversion or exercise of such other securities, which have not been sold (a) in connection with an effective registration statement filed pursuant to the Securities Act or (b) pursuant to Rule 144 or Rule 144A promulgated by the Commission under the Securities Act.

Registrable Shares shall mean the shares of Common Stock issued or issuable upon the conversion or exchange of the Registrable Securities or otherwise constituting a portion of the Registrable Securities.

Registration Statement means any registration statement required to be filed by the Corporation under Section 3.4 and any additional registration statement contemplated by Section 3.4(b)(iii), including (in each case) the Prospectus, amendments and supplements to such registration statement or Prospectus, including pre- and post-effective amendments, all exhibits thereto, and all material incorporated by reference or deemed to be incorporated by reference in such registration statement.

Reserved Shares shall mean the shares of Common Stock issued or issuable by the Corporation upon the conversion of the Preferred Shares.

Restricted Stock shall mean all shares of capital stock of the Corporation, excluding the Series A-1 Registrable Securities, Series A-2 Registrable Securities and Series A-3 Registrable Securities, including (i) all shares of Common Stock, (ii) all shares of Series A-4 Preferred Stock, (iii) all shares of Series A-5 Preferred Stock, (iv) all shares of Series A-6 Preferred Stock, (v) all additional shares of capital

stock of the Corporation hereafter issued and outstanding, (vi) all shares of capital stock of the Corporation into which such shares may be converted or for which they may be exchanged or exercised and (vii) all other shares of capital stock issued or issuable by way of stock splits, stock dividends, stock combinations, recapitalizations or like occurrences on such shares.

Rule 415 means Rule 415 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

Rule 424 means Rule 424 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

Securities Act shall mean the Securities Act of 1933, as amended.

Selling Stockholder Questionnaire shall have the meaning set forth in Section 3.4(a) hereof.

Sell shall mean as to any Restricted Stock, to sell, or in any other way directly or indirectly, transfer, assign, distribute, encumber or otherwise dispose of either voluntarily or involuntarily; provided, however, that the term "Sell" shall not include the transfer, by gift or otherwise without consideration, of any Restricted Stock (a) by a Common Stockholder, Series A-4 Stockholder, Series A-5 Stockholder or Series A-6 Stockholder to any or all members of a class of persons consisting of his or her spouse, other members of his or her immediate family and/or his, her or their descendants, or to a trust of which all of the beneficiaries are members of such class, or (b) by a Common Stockholder, Series A-4 Stockholder, Series A-5 Stockholder or Series A-6 Stockholder that is a trust, employee benefit plan or individual retirement account, to the beneficiary or beneficiaries of such trust, employee benefit plan or individual retirement account, as applicable (each, a "Related Transferee"); provided, that any such transfer to a Related Transferee shall be permitted only on, and subject to, the express conditions that:

(i) such Related Transferee shall be deemed to be a Common Stockholder, Series A-4 Stockholder, Series A-5 Stockholder or Series A-6 Stockholder, as applicable, hereunder and shall hold the Restricted Stock subject to the provisions of this Agreement; and

(ii) such Related Transferee executes all documents necessary or desirable, in the reasonable judgment of the Corporation and the Investors, to become a party to, and be bound by the terms of this Agreement, including but not limited to an Instrument of Adherence pursuant to Section 17 hereof.

Series A-1 Directors shall have the meaning set forth in Section 4.1(b) hereof.

Series A-1 Preferred Stock shall have the meaning set forth in the second paragraph of this Agreement.

Series A-2 Preferred Stock shall have the meaning set forth in the first paragraph of this Agreement.

Series A-3 Preferred Stock shall have the meaning set forth in the first paragraph of this Agreement.

Series A-4 Preferred Stock shall have the meaning set forth in the first paragraph of this Agreement.

Series A-5 Preferred Stock shall have the meaning set forth in the first paragraph of this Agreement.

Series A-6 Preferred Stock shall have the meaning set forth in the definition of "Preferred Shares" above.

Series A-1 Registrable Shares shall mean the shares of Common Stock issued or issuable upon the conversion or exchange of the Series A-1 Registrable Securities or otherwise constituting a portion of the Series A-1 Registrable Securities.

Series A-1 Registrable Securities shall mean any of the Series A-1 Preferred Stock, the Common Stock issued or issuable upon the conversion of the Series A-1 Preferred Stock, all shares of Common Stock issued or issuable in respect thereof by way of stock splits, stock dividends, stock combinations, recapitalizations or like occurrences, and any other shares of Common Stock or other securities of the Corporation which may be issued hereafter to any of the Series A-1 Stockholders or any member of their Group which are convertible into or exercisable for shares of Common Stock (including, without limitation, other classes or series of convertible Preferred Stock, warrants, options or other rights to purchase Common Stock or convertible debentures or other convertible debt securities) and the Common Stock issued or issuable upon such conversion or exercise of such other securities, which have not been sold (a) in connection with an effective registration statement tiled pursuant to the Securities Act or (b) pursuant to Rule 144 or Rule 144A promulgated by the Commission under the Securities Act.

Series A-2 Registrable Shares shall mean the shares of Common Stock issued or issuable upon the conversion or exchange of the Series A-2 Registrable Securities or otherwise constituting a portion of the Series A-2 Registrable Securities.

Series A-2 Registrable Securities shall mean any of the Series A-2 Preferred Stock, the Common Stock issued or issuable upon the conversion of the Series A-2 Preferred Stock, all shares of Common Stock issued or issuable in respect thereof by way of stock splits, stock dividends, stock combinations, recapitalizations or like occurrences, and any other shares of Common Stock or other securities of the Corporation which may be issued hereafter to any of the Investors or any member of their Group which are convertible into or exercisable for shares of Common Stock (including, without limitation, other classes or series of convertible Preferred Stock, warrants, options or other rights to purchase Common Stock or convertible debentures or other convertible debt securities) and the Common Stock issued or issuable upon such conversion or exercise of such other securities, which have not been sold (a) in connection with an effective registration statement tiled pursuant to the Securities Act or (b) pursuant to Rule 144 or Rule 144A promulgated by the Commission under the Securities Act.

Series A-3 Registrable Shares shall mean the shares of Common Stock issued or issuable upon the conversion or exchange of the Series A-3 Registrable Securities or otherwise constituting a portion of the Series A-3 Registrable Securities.

Series A-3 Registrable Securities shall mean any of the Series A-3 Preferred Stock, the Common Stock issued or issuable upon the conversion of the Series A-3 Preferred Stock, all shares of Common Stock issued or issuable in respect thereof by way of stock splits, stock dividends, stock combinations, recapitalizations or like occurrences, and any other shares of Common Stock or other securities of the Corporation which may be issued hereafter to any of the Investors or any member of their Group which are convertible into or exercisable for shares of Common Stock (including, without limitation, other classes or series of convertible Preferred Stock, warrants, options or other rights to purchase Common Stock or convertible debentures or other convertible debt securities) and the Common Stock issued or issuable upon such conversion or exercise of such other securities, which have not been sold (a) in connection with an effective registration statement tiled pursuant to the Securities Act or (b) pursuant to Rule 144 or Rule 144A promulgated by the Commission under the Securities Act.

Series A-1 Stockholder shall have the meaning set forth in the second paragraph of this Agreement.

Series A-2 Stockholders shall have the meaning set forth in the first paragraph of this Agreement.

Series A-3 Stockholders shall have the meaning set forth in the first paragraph of this Agreement.

Series A-4 Stockholder shall have the meaning set forth in the first paragraph of this Agreement.

Series A-5 Stockholder shall have the meaning set forth in the first paragraph of this Agreement.

Series A-6 Stockholder shall have the meaning set forth in the definition of "Preferred Shares" above.

Specified Preferred Director shall have the meaning set forth in Section 4.1(b) hereof.

Specified Preferred Holder shall mean each of Oxford, Wellcome and HCV VII.

Stock Purchase Agreement shall mean the Series A-1 Convertible Preferred Stock Purchase Agreement, dated as of the date hereof, among the Corporation and the Investors listed on Schedule I thereto.

Stockholders shall mean all holders of capital stock of the Corporation.

Trading Day shall have the meaning set forth in Section 3.4(a) hereof.

30-Day Period shall have the meaning set forth in Section 2.3(b) hereof.

Transfer shall include any disposition of any Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock or of any interest therein which would constitute a sale thereof within the meaning of the Securities Act.

Wellcome shall mean The Wellcome Trust Limited, as trustee of the Wellcome Trust.

SECTION 2. Certain Covenants of the Corporation.

2.1 Meetings of the Board of Directors. The Corporation shall call, and use its best efforts to have, regular meetings of the Board not less often than quarterly. The Corporation shall promptly pay all reasonable and appropriately documented travel expenses and other out-of-pocket expenses incurred by directors who are not employed by the Corporation in connection with attendance at meetings to transact the business of the Corporation or attendance at meetings of the Board or any committee thereof.

2.2 Reservation of Shares of Common Stock and Preferred Stock, Etc. The Corporation shall at all times have authorized and reserved out of its authorized but unissued shares of Common Stock a sufficient number of shares of Common Stock to provide for the conversion of the Preferred Shares. Neither the issuance of the Preferred Shares nor the shares of Common Stock issuable upon the conversion of the Preferred Shares shall be subject to a preemptive right of any other Stockholder.

2.3 Right of First Refusal.

(a) The Corporation shall not issue, sell or exchange, agree to issue, sell or exchange, or reserve or set aside for issuance, sale or exchange, any Offered Securities, unless in each

case the Corporation shall have first offered to sell to the Series A-1 Stockholders, Series A-2 Stockholders and the Series A-3 Stockholders (collectively, the "ROFR Stockholders") all of such Offered Securities on the terms set forth herein. Each ROFR Stockholder shall be entitled to purchase up to its Equity Percentage of the Offered Securities. Each ROFR Stockholder may delegate its rights and obligations with respect to such Offer to one or more members of its Group, which members shall thereafter be deemed to be "ROFR Stockholders" for the purpose of applying this Section 2.3 to such Offer.

(b) The Corporation shall deliver to each ROFR Stockholder written notice of the offer to sell the Offered Securities, specifying the price and terms and conditions of the offer (the "Offer"). The Offer by its terms shall remain open and irrevocable for a period of 30 days from the date of its delivery to such ROFR Stockholders (the "30-Day Period"), subject to extension to include the Excess Securities Period (as such term is hereinafter defined).

(c) Each ROFR Stockholder shall evidence its intention to accept the Offer by delivering a written notice signed by such ROFR Stockholder, as applicable, setting forth the number of shares that such ROFR Stockholder elects to purchase (the "Notice of Acceptance"). The Notice of Acceptance must be delivered to the Corporation prior to the end of the 30-Day Period. The failure by a ROFR Stockholder to exercise its rights hereunder shall not constitute a waiver of any other rights or of the right to receive notice of and participate in any subsequent Offer.

(d) If any ROFR Stockholder fails to exercise its right hereunder to purchase its Equity Percentage of the Offered Securities, the Corporation shall so notify the other ROFR Stockholders in a written notice (the "Excess Securities Notice"). The Excess Securities Notice shall be given by the Corporation promptly after it learns of the intention of any ROFR Stockholder not to purchase all of its Equity Percentage of the Offered Securities, but in no event later than ten (10) business days after the expiration of the 30-Day Period. The ROFR who or which have agreed to purchase their Equity Percentage of the Offered Securities shall have the right to purchase the portion not purchased by such ROFR Stockholders (the "Excess Securities"), on a pro rata basis, by giving notice within ten (10) business days after receipt of the Excess Securities Notice from the Corporation. The twenty (20) business day period during which (i) the Corporation must give the Excess Securities Notice to the applicable ROFR Stockholders, and (ii) each of them must then give the Corporation notice of their intention to purchase all or any portion of their pro rata share of the its Excess Securities, is hereinafter referred to as the "Excess Securities Period."

(e) If the ROFR Stockholders tender their Notice of Acceptance prior to the end of the 30-Day Period, indicating their intention to purchase all of the Offered Securities, or, if prior to the termination of the Excess Securities Period the ROFR Stockholders tender Excess Securities Notices to purchase all of the Excess Securities, the Corporation shall schedule a closing of the sale of all such Offered Securities. Upon the closing of the sale of the Offered Securities to be purchased by the ROFR Stockholders and the Excess Securities to be purchased by ROFR Stockholders, each ROFR Stockholder shall (i) purchase from the Corporation that portion of the Offered Securities and Excess Securities, as applicable, for which it tendered a Notice of Acceptance and an Excess Securities Notice, as applicable, upon the terms specified in the Offer, and (ii) execute and deliver an agreement further restricting transfer of such Offered Securities substantially as set forth in Section 3.1, 3.2 and 3.3 of this Agreement. In addition, with respect to the Offered Securities and Excess Securities being purchased by the ROFR Stockholders, the Corporation shall provide each such ROFR Stockholder with the rights and benefits set forth in this Agreement. The obligation of the ROFR Stockholders to purchase such Offered Securities and Excess Securities, as applicable, is further conditioned upon the preparation of a purchase agreement embodying the terms of the Offer, which shall be reasonably satisfactory in form and substance to such ROFR Stockholder and each of their respective counsels.

(f) The Corporation shall have ninety (90) days from the expiration of the 30-Day Period, or the Excess Securities Period, if applicable, to sell the Offered Securities (including the Excess Securities) refused by the ROFR Stockholders (the "Refused Securities") to any other person or persons, but only upon terms and conditions which are in all material respects (including, without limitation, price and interest rate) no more favorable to such other person or persons, and no less favorable to the Corporation, than those set forth in the Offer. Upon and subject to the closing of the sale of all of the Refused Securities (which shall include full payment to the Corporation), each ROFR Stockholder shall (i) purchase from the Corporation those Offered Securities and Excess Securities, as applicable, for which it tendered a Notice of Acceptance and an Excess Securities Notice, if applicable, upon the terms specified in the Offer, and (ii) execute and deliver an agreement restricting transfer of such Offered Securities and Excess Securities, as applicable, substantially as set forth in Sections 3.1, 3.2 and 3.3 of this Agreement. In addition, with respect to the Offered Securities or Excess Securities being purchased by the ROFR Stockholders, the Corporation shall provide each such ROFR Stockholder with the rights and benefits set forth in this Agreement. The Corporation agrees, as a condition precedent to accepting payment for and making delivery of any Refused Securities to any executive officer, employee, consultant or independent contractor of or to the Corporation, or to any other person, to have each and every such person execute and deliver this Agreement, as may be modified or amended from time to time pursuant to Section 11 hereof, to the extent such purchaser has not already executed this Agreement. The obligation of the ROFR Stockholders to purchase such Offered Securities and Excess Securities, as applicable, is further conditioned upon the preparation of a purchase agreement embodying the terms of the Offer, which shall be reasonably satisfactory in form and substance to such ROFR Stockholder and each of their respective counsels.

(g) In each case, any Offered Securities not purchased either by the ROFR Stockholders or by any other person in accordance with this Section 2.3 may not be sold or otherwise disposed of until they are again offered to the ROFR Stockholders under the procedures specified in Paragraphs (a), (b), (c), (d), (e) and (f) hereof.

(h) Each ROFR Stockholder may, by prior written consent, waive its rights under this Section 2.3. Such a waiver shall be deemed a limited waiver and shall only apply to the extent specifically set forth in the written consent of such ROFRR Stockholder.

(i) This Section 2.3 and the rights and obligations of the parties hereunder shall automatically terminate on the consummation of a Qualified Public Offering.

2.4 Filing of Reports Under the Exchange Act.

(a) The Corporation shall give prompt notice to the holders of Preferred Stock of (i) the filing of any registration statement (an "Exchange Act Registration Statement") pursuant to the Exchange Act, relating to any class of equity securities of the Corporation, (ii) the effectiveness of such Exchange Act Registration Statement, and (iii) the number of shares of such class of equity securities outstanding, as reported in such Exchange Act Registration Statement, in order to enable the Stockholders to comply with any reporting requirements under the Exchange Act or the Securities Act. Upon the written request of the Majority Investors, the Corporation shall, at any time after the Corporation has already registered shares of Common Stock under the Securities Act file an Exchange Act Registration Statement relating to any class of equity securities of the Corporation or issuable upon conversion or exercise of any class of debt or equity securities or warrants or options of the Corporation then held by the Series A-1 Stockholders, whether or not the class of equity securities with respect to which such request is made shall be held by the number of persons which would require the filing of a registration statement under Section 12(g)(I) of the Exchange Act.

(b) If the Corporation shall have filed an Exchange Act Registration Statement or a registration statement (including an offering circular under Regulation A promulgated under the Securities Act) pursuant to the requirements of the Securities Act, which shall have become effective (and in any event, at all times following the initial public offering of any of the securities of the Corporation), then the Corporation shall comply with all other reporting requirements of the Exchange Act (whether or not it shall be required to do so) and shall comply with all other public information reporting requirements of the Commission as a condition to the availability of an exemption from the Securities Act for the sale of any of the Restricted Stock by any holder of Restricted Stock or the sale of any of the Series A-1 Stock by any holder of Series A-1 Stock (including any such exemption pursuant to Rule 144 or Rule 144A thereof, as amended from time to time, or any successor rule thereto or otherwise). The Corporation shall cooperate with each holder of Registrable Securities in supplying such information as may be necessary for such holder to complete and file any information reporting forms presently or hereafter required by the Commission as a condition to the availability of an exemption from the Securities Act (under Rule 144 or Rule 144A thereunder or otherwise) for the sale of any Registrable Securities.

2.5 Directors' & Officers' Insurance. The Corporation shall continue to maintain a directors' and officers' liability insurance policy covering all directors, observers and executive officers of the Corporation.

2.6 Properties and Business Insurance. The Corporation shall continue to maintain from responsible and reputable insurance companies or associations valid policies of insurance against such casualties, contingencies and other risks and hazards and of such types and in such amounts as is customary for similarly situated businesses.

2.7 Preservation of Corporate Existence. The Corporation shall preserve and maintain its corporate existence, rights, franchises and privileges in the jurisdiction of its incorporation, and qualify and remain qualified as a foreign corporation in each jurisdiction in which (i) such qualification is necessary or desirable in view of its business and operations or the ownership or lease of its properties or (ii) the failure to so qualify would have a material adverse effect on the business, properties, assets or condition (financial or otherwise) of the Corporation.

2.8 Compliance with Laws. The Corporation shall comply with all applicable laws, rules, regulations, requirements and orders of the United States or any applicable foreign jurisdiction in the conduct of its business including, without limitation, all labor, employment, wage and hour, health and safety, environmental, health insurance, health information security, privacy, data protection and data transfer laws, and shall adopt and monitor policies and procedures designed to comply with all such applicable laws, rules, regulations and orders, except where noncompliance would not have a material adverse effect on the business, properties, assets or condition (financial or otherwise) of the Corporation.

2.9 Payment of Taxes. The Corporation will pay and discharge all lawful Taxes (as defined below) before such Taxes shall become in default and all lawful claims for labor, materials and supplies which, if not paid when due, might become a lien or charge upon its property or any part thereof; provided, however, that the Corporation shall not be required to pay and discharge any such Tax, assessment, charge, levy or claim so long as the validity thereof is being contested by or for the Corporation in good faith by appropriate proceedings and an adequate reserve therefore has been established on its books. The term "Tax" (and, with correlative meaning, "Taxes") means all United States federal, state and local, and all foreign, income, profits, franchise, gross receipts, payroll, transfer, sales, employment, use, property, excise, value added, ad valorem, estimated, stamp, alternative or add-on minimum, recapture, environmental, withholding and any other taxes, charges, duties, impositions or

assessments, together with all interest, penalties, and additions imposed on or with respect to such amounts, or levied, assessed or imposed against the Corporation.

2.10 Management Compensation. The Board of Directors (upon the recommendation of the Compensation Committee or otherwise) shall determine the compensation to be paid by the Corporation to its management. Any grants of capital stock or options to employees, officers, directors or consultants of the Corporation and its Subsidiaries shall be made pursuant to the Plan.

2.11 No Further Pay-to-Play Provisions. The Corporation hereby covenants and agrees that at no time after the date of this Agreement, without the prior written consent of each of Wellcome, one member of the HCV Group, one member of the MPM Group, one member of the Brookside Group, one member of the BB Bio Group, and one member of the Oxford/Saints Group, shall it enter into any agreement or amend the Certificate to implement terms that would automatically convert Preferred Shares into shares of Common Stock, or impose any other penalty on the holder of Preferred Shares, solely because the holders of such Preferred Shares fail to participate at any level in a transaction pursuant to which the Corporation raises funds through the issuance of debt or equity securities (other than any Closing contemplated by the Stock Purchase Agreement).

2.12 Confidentiality, Assignment of Inventions and Non-Competition Agreements for Key Employees. The Corporation shall cause each person who becomes an employee of or a consultant to the Corporation subsequent to the date hereof, and who shall have or be proposed to have access to confidential or proprietary information of the Corporation, to execute a confidentiality, assignment of inventions, and non-competition agreement in form and substance attached hereto as Exhibit A or otherwise approved by the Board prior to the commencement of such person' s employment by the Corporation in such capacity.

2.13 Duration of Section. Sections 2.5 through 2.12 and the rights and obligations of the parties hereunder shall automatically terminate on the earlier of (i) the consummation of an Event of Sale (as defined in the Certificate) or (ii) the automatic conversion of all of the Preferred Stock of the Corporation pursuant to the terms and conditions of the Certificate upon the listing, or the admitting for trading, of the Common Stock on a national securities exchange.

SECTION 3. Transfer of Securities.

3.1 Restriction on Transfer. The Series A-1 Preferred Stock, Series A-2 Preferred Stock, the Series A-3 Preferred Stock and the Restricted Stock shall not be transferable, except upon the conditions specified in this Section 3, which conditions are intended solely to ensure compliance with the provisions of the Securities Act in respect of the Transfer thereof. In addition, no Series A-1 Preferred

Stock, Series A-2 Preferred Stock, the Series A-3 Preferred Stock or Restricted Stock shall be transferred unless, as conditions precedent to such transfer, the transferee thereof agrees in writing to be bound by the obligations of the transferring Stockholder hereunder.

3.2 Restrictive Legend. Each certificate evidencing any Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock and Restricted Stock and each certificate evidencing any such securities issued to subsequent transferees of any Series A-1 Preferred Stock, Series A-2 Preferred Stock, Series A-3 Preferred Stock and Restricted Stock shall (unless otherwise permitted by the provisions of Section 3.3 or 3.10 hereof) be stamped or otherwise imprinted with a legend in substantially the following form:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAW. THE SECURITIES MAY NOT BE PLEDGED, HYPOTHECATED, SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAW OR AN EXEMPTION THEREFROM UNDER SUCH ACT OR LAW.

3.3 Notice of Transfer. By acceptance of any Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock, the holder thereof agrees to give prior written notice to the Corporation of such holder' s intention to effect any Transfer and to comply in all other respects with the provisions of this Section 3.3. Each such notice shall describe the manner and circumstances of the proposed Transfer and shall be accompanied by: (a) the written opinion of counsel for the holder of such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock, or, at such holder' s option, a representation letter of such holder, addressed to the Corporation (which opinion and counsel, or representation letter, as the case may be, shall be reasonably acceptable to the Corporation), as to whether, in the case of a written opinion, in the opinion of such counsel such proposed Transfer involves a transaction requiring registration of such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock under the Securities Act and applicable state securities laws or an exemption thereunder is available, or, in the case of a representation letter, such letter sets forth a factual basis for concluding that such proposed transfer involves a transaction requiring registration of such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock under the Securities Act and applicable state securities laws or that an exemption thereunder is available, or (b) if such registration is required and if the provisions of Section 3.4 hereof are applicable, a written request addressed to the Corporation by the holder of such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock, describing in detail the proposed method of disposition and requesting the Corporation to effect the registration of such Registrable Shares pursuant to the terms and provisions of Section 3.4 hereof; provided, however, that (y) in the case of a Transfer by a holder to a member of such holder' s Group, no such opinion of counsel or representation letter of the holder shall be necessary, provided that the transferee agrees in writing to be subject to Sections 3.1, 3.2, 3.3, 3.10 hereof to the same extent as if such transferee were originally a signatory to this Agreement, and (z) in the case of any holder of Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock that is a partnership, no such opinion of counsel or representation letter of the holder shall be necessary for a Transfer by such holder to a partner of such holder, or a retired partner of such holder who retires after the date hereof, or the estate of any such partner or retired partner if, with respect to such Transfer by a partnership, (i) such Transfer is made in accordance with the partnership agreement of such partnership, and (ii) the transferee agrees in writing to be subject to the terms of Sections 3.1, 3.2, 3.3, 3.10 hereof to the same extent as if such transferee were originally a signatory to this Agreement. If in an opinion of counsel or as reasonably concluded from the facts set forth in the representation letter of the holder (which opinion and counsel or representation letter, as the case may be, shall be reasonably acceptable to the Corporation), the proposed Transfer may be effected without registration under the Securities Act and any applicable state securities laws or "blue sky" laws, then the holder of Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock shall thereupon be entitled to effect such Transfer in accordance with the terms of the notice delivered by it to the Corporation. Each certificate or other instrument evidencing the securities issued upon such Transfer (and each certificate or other instrument evidencing any such securities not Transferred) shall bear the legend set forth in Section 3.2 hereof unless: (a) in such opinion of such counsel or as can be concluded from the representation letter of such holder (which opinion and counsel or representation letter shall be reasonably acceptable to the

Corporation) the registration of future Transfers is not required by the applicable provisions of the Securities Act and state securities laws, or (b) the Corporation shall have waived the requirement of such legend; provided, however, that such legend shall not be required on any certificate or other instrument evidencing the securities issued upon such Transfer in the event such transfer shall be made in compliance with the requirements of Rule 144 (as amended from time to time or any similar or successor rule) promulgated under the Securities Act. The holder of Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock shall not effect any Transfer until such opinion of counsel or representation letter of such holder has been given to and accepted by the Corporation (unless waived by the Corporation) or, if applicable, until registration of the Registrable Shares involved in the above-mentioned request has become effective under the Securities Act. In the event that an opinion of counsel is required by the registrar or transfer agent of the Corporation to effect a transfer of Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock in the future, the Corporation shall seek and obtain such opinion from its counsel, and the holder of such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock shall provide such reasonable assistance as is requested by the Corporation (other than the furnishing of an opinion of counsel) to satisfy the requirements of the registrar or transfer agent to effectuate such transfer. Notwithstanding anything to the contrary herein, the provisions of this Section 3.3 and of Sections 3.1 and 3.2 shall not apply, and shall be deemed of no force or effect, with respect to shares of capital stock of the Corporation that are subject to a re-sale registration statement under the Securities Act, provided that such registration statement has been declared, and continues to remain, effective by the Commission.

3.4 Registration Rights.

(a) Shelf Registration.

(i) On or prior to the Filing Date, the Corporation shall prepare and file with the Commission a Registration Statement covering the resale of all of the Registrable Shares for an offering to be made on a continuous basis pursuant to Rule 415. The Registration Statement shall be on Form S-1 or another appropriate form in accordance herewith and shall contain (unless otherwise directed by Holders of at least 85% of the then outstanding Registrable Shares) substantially the "Plan of Distribution" attached hereto as Annex A. Subject to the terms of this Agreement, the Corporation shall use its reasonable best efforts to cause such Registration Statement to be declared effective under the Securities Act as promptly as possible after the filing thereof, but in any event on or prior to the Effectiveness Date, and shall use its reasonable best efforts to keep the Registration Statement continuously effective (whether on Form S-1 or amended to Form S-3 or another appropriate form in accordance herewith) under the Securities Act until all Registrable Shares have been sold, or may be sold without volume restrictions pursuant to Rule 144, as determined by the counsel to the Corporation pursuant to a written opinion letter to such effect, addressed and acceptable to the transfer agent of the Corporation and the affected Holders (the "Effectiveness Period"). The Corporation shall telephonically request effectiveness of the Registration Statement as of 5:00 p.m. New York City time on a day during which the public markets are open for trading stocks (a "Trading Day"). The Corporation shall immediately notify the Holders via facsimile or by e-mail delivery of a ".pdf" format data file of the effectiveness of the Registration Statement on the same Trading Day that the Corporation telephonically confirms effectiveness with the Commission, which shall be the date requested for effectiveness of the Registration Statement. The Corporation shall, by 9:30 a.m. New York City time on the Trading Day after the Effective Date, file a final Prospectus with the Commission as required by Rule 424. Failure to so notify the Holder within 1 Trading Day of such notification of effectiveness or failure to file a final Prospectus as foresaid shall be deemed an Event under Section 3.4(b).

(ii) If: (A) the Registration Statement is not filed on or prior to the Filing Date or has not been declared effective by the Commission by the Effectiveness Date, or (B) the Corporation fails to file with the Commission a request for acceleration in accordance with Rule 461 promulgated under the Securities Act, within 5 Trading Days of the date that the Corporation is notified (orally or in writing, whichever is earlier) by the Commission that a Registration Statement will not be "reviewed" or not be subject to further review, or (C) prior to the Effectiveness Date of a Registration Statement, the Corporation fails to file a pre-effective amendment and otherwise respond in writing to comments made by the Commission in respect of such Registration Statement within 14 calendar days after the receipt of comments by or notice from the Commission that such amendment is required in order for such Registration Statement to be declared effective, or (D) after the Effectiveness Date of a Registration Statement, such Registration Statement ceases for any reason to

remain continuously effective as to all Registrable Securities included in such Registration Statement, or the Holders are otherwise not permitted to utilize the Prospectus therein to resell such Registrable Securities, for more than 20 consecutive calendar days or more than an aggregate of 40 calendar days during any 12-month period (which need not be consecutive calendar days) (any such failure or breach being referred to as an "Event", and for purposes of clause (A) the date on which such Event occurs, or for purposes of clause (B) the date on which such 5 Trading Day period is exceeded, or for purposes of clause (C) the date which such 14 calendar day period is exceeded, or for purposes of clause (D) the date on which such 20 or 40 calendar day period, as applicable, is exceeded being referred to as an "Event Date"), then, in addition to any other rights the Holders may have hereunder or under applicable law, on each such Event Date and on each monthly anniversary of each such Event Date (if the applicable Event shall not have been cured by such date) until the applicable Event is cured, the Corporation shall pay to each Holder an amount in cash, as partial liquidated damages and not as a penalty, equal to 1% of the aggregate purchase price paid by such Holder pursuant to the Stock Purchase Agreement for any Registrable Securities then held by such Holder. The parties agree that the maximum aggregate liquidated damages payable to a Holder under this Agreement shall be sixteen percent (16%) of the aggregate Purchase Price (as defined in the Stock Purchase Agreement) paid by such Holder pursuant to the Stock Purchase Agreement. If the Corporation fails to pay any partial liquidated damages pursuant to this Section 3.4(b) in full within seven days after the date payable, the Corporation will pay interest thereon at a rate of ten percent (10%) per annum (or such lesser maximum amount that is permitted to be paid by applicable law) to the Holder, accruing daily from the date such partial liquidated damages are due until such amounts, plus all such interest thereon, are paid in full. The partial liquidated damages pursuant to the terms hereof shall apply on a daily pro-rata basis for any portion of a month prior to the cure of an Event.

(iii) In the event that the Corporation is unable for any reason to include in the Registration Statement required to be filed under Section 3.4(a)(i) all of the Registrable Securities, then the Corporation shall use its reasonable best efforts to file and cause to be declared effective additional Registration Statements, in order to uphold its obligations under Section 3.4(a)(i), as promptly as practicable. If not all Registrable Securities may be included in any one Registration Statement, then the Registrable Securities to be included shall be allocated among Holders of such Registrable Securities on a pro rata basis based on the total number of Registrable Securities held by all Holders that have not been included in a Registration Statement.

(b) Registration Procedures. In connection with the Corporation' s registration obligations hereunder, the Corporation shall:

(i) Not less than seven Trading Days prior to the filing of any Registration Statement and not less than two Trading Days prior to the filing of any related Prospectus or any amendment or supplement thereto, (A) furnish to each Holder copies of all such documents proposed to be filed, which documents (other than those incorporated or deemed to be incorporated by reference) will be subject to the review of such Holders, and (B) cause its officers and directors, counsel and

independent certified public accountants to respond to such inquiries as shall be necessary, in the reasonable opinion of respective counsel to each Holder, to conduct a reasonable investigation within the meaning of the Securities Act; and not file a Registration Statement or any such Prospectus or any amendments or supplements thereto to which the Holders of 67% of the Registrable Securities shall reasonably object in good faith, provided that the Corporation is notified of such objection in writing no later than 5 Trading Days after the Holders have been so furnished copies of a Registration Statement or 1 Trading Day after the Holders have been so furnished copies of any related Prospectus or amendments or supplements thereto. Each Holder agrees to furnish to the Corporation a completed questionnaire in the form attached to this Agreement as Annex B or other form reasonably acceptable to the Corporation (a "Selling Stockholder Questionnaire") not less than 2 Trading Days prior to the Filing Date or by the end of the 4th Trading Day following the date on which such Holder receives draft materials in accordance with this Section. During any periods that the Corporation is unable to meet its obligations hereunder with respect to the registration of the Registrable Securities because the Holders of 67% of the Registrable Securities exercise their rights under this section to object to the filing of a Registration Statement, any liquidated damages that are accruing, at such time shall be tolled and any Event that may otherwise occur because of the exercise of such rights or such delay shall be suspended, until the Holders of 67% of the Registrable Securities no longer object to the filing of such Registration Statement (provided that such tolling shall only occur if the Corporation uses commercially reasonable efforts to resolve such objection). If any Holder fails to furnish its Selling Stockholder Questionnaire related to a particular Registration Statement not less than 2 Trading Days prior to the Filing Date or by the end of the 4th Trading Day following the date on which

such Holder receives draft materials in accordance with this Section, any liquidated damages that are accruing, as well as any other rights of such Holder under this Agreement with regard to such Registration Statement, including without limitation, the right to include such Holder' s Registrable Securities in such Registration Statement, shall be tolled as to such Holder until such information is received by the Corporation; provided, however, that the Corporation shall use commercially reasonable efforts to include such Registrable Securities in such Registration Statement or the next most available Registration Statement as soon as possible after such information is furnished to the Corporation.

(ii) (A) Prepare and file with the Commission such amendments, including post-effective amendments, to a Registration Statement and the Prospectus used in connection therewith as may be necessary to keep a Registration Statement continuously effective as to the applicable Registrable Securities for the Effectiveness Period and prepare and file with the Commission such additional Registration Statements in order to register for resale under the Securities Act all of the Registrable Securities; (B) cause the related Prospectus to be amended or supplemented by any required Prospectus supplement (subject to the terms of this Agreement), and as so supplemented or amended to be filed pursuant to Rule 424; (C) respond as promptly as reasonably possible to any comments received from the Commission with respect to a Registration Statement or any amendment thereto and provide as promptly as reasonably possible to the Holders true and complete copies of all correspondence from and to the Commission relating to a Registration Statement (provided that the Corporation may excise any information contained therein which would constitute material non-public information as to any Holder which has not executed a confidentiality agreement with the Corporation); and (D) comply in all material respects with the provisions of the Securities Act and the Exchange Act with respect to the disposition of all Registrable Securities covered by a Registration Statement during the applicable period in accordance (subject to the terms of this Agreement) with the intended methods of disposition by the Holders thereof set forth in such Registration Statement as so amended or in such Prospectus as so supplemented.

(iii) If during the Effectiveness Period, the number of Registrable Securities at any time exceeds 100% of the number of shares of Common Stock then registered in a Registration Statement, file as soon as reasonably practicable an additional Registration Statement covering the resale by the Holders of not less than the number of such Registrable Securities.

(iv) Notify the Holders of Registrable Securities to be sold (which notice shall, pursuant to clauses (C) through (F) hereof, be accompanied by an instruction to suspend the use of the Prospectus until the requisite changes have been made) as promptly as reasonably possible (and, in the case of (A)(1) below, not less than 1 Trading Day prior to such filing, in the case of (C) and (D) below, not more than 1 Trading Day after such issuance or receipt and, in the case of (E) below, not less than 3 Trading Days prior to the financial statements in any Registration Statement becoming ineligible for inclusion therein) and (if requested by any such Person) confirm such notice in writing no later than 1 Trading Day following the day (A)(1) when a Prospectus or any Prospectus supplement or post-effective amendment to a Registration Statement is proposed to be filed; (2) when the Commission notifies the Corporation whether there will be a "review" of such Registration Statement and whenever the Commission comments in writing on such Registration Statement (in which case the Corporation shall provide true and complete copies thereof and all written responses thereto to each of the Holders that pertain to the Holders as a selling stockholder or to the Plan of Distribution, but not information which the Corporation believes would constitute material and non-public information); and (3) with respect to a Registration Statement or any post-effective amendment, when the same has become effective; (B) of any request by the Commission or any other federal or state governmental authority for amendments or supplements to a Registration Statement or Prospectus or for additional information; (C) of the issuance by the Commission or any other federal or state governmental authority of any stop order suspending the effectiveness of a Registration Statement covering any or all of the Registrable Securities or the initiation of any Proceedings for that purpose; (D) of the receipt by the Corporation of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction, or the initiation or threatening of any Proceeding for such purpose; (E) of the occurrence of any event or passage of time that makes the financial statements included in a Registration Statement ineligible for inclusion therein or any statement made in a Registration Statement or Prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or that requires any revisions to a Registration Statement, Prospectus or other documents so that, in the case of a Registration Statement or the Prospectus, as the case may be, it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and (F) the occurrence or existence of any pending corporate development with respect to the Corporation that the Corporation believes may be material and that, in the good faith determination of the Corporation, based on the advice of counsel, makes it not in the best interest of the Corporation to allow continued

availability of a Registration Statement or Prospectus, provided that any and all of such information shall remain confidential to each Holder until such information otherwise becomes public, unless disclosure by a Holder is required by law; provided, further, that notwithstanding each Holder' s agreement to keep such information confidential, the Holders make no acknowledgement that any such information is material, non-public information.

(v) Use its reasonable best efforts to avoid the issuance of, or, if issued, obtain the withdrawal of (A) any order suspending the effectiveness of a Registration Statement, or (B) any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction, at the earliest practicable moment.

(vi) If requested by a Holder, furnish to such Holder, without charge (A) at least one conformed copy of each such Registration Statement and each amendment thereto, including financial statements and schedules, all documents incorporated or deemed to be incorporated therein by reference to the extent requested by such Person, and all exhibits to the extent requested by such Person (including those previously furnished or incorporated by reference) promptly after the filing of such documents with the Commission, and (B) during the Effectiveness Period, as many copies of the Prospectus included in the Registration Statement and any amendment or supplement thereto as such

Holder may reasonably request; provided, however, that the Corporation shall have no obligation to provide any document pursuant to this clause that is available on the Commission' s EDGAR system.

(vii) Subject to the terms of this Agreement, consent to the use of each Prospectus and each amendment or supplement thereto by each of the selling Holders in connection with the offering and sale of the Registrable Securities covered by such Prospectus and any amendment or supplement thereto, except after the giving of any notice pursuant to Section 3.4(b)(iv).

(viii) Effect a filing with respect to the public offering contemplated by the Registration Statement (an "Issuer Filing") with the Financial Industry Regulatory Authority ("FINRA") Corporate Financing Department pursuant to FINRA Rule 5110 within 1 Trading Day of the date that the Registration Statement is first filed with the Commission and pay the filing fee required by such Issuer Filing; and use commercially reasonable efforts to pursue the Issuer Filing until FINRA issues a letter confirming that it does not object to the terms of the offering contemplated by the Registration Statement.

(ix) Prior to any resale of Registrable Securities by a Holder, use its reasonable best efforts to register or qualify or cooperate with the selling Holders in connection with the registration or qualification (or exemption from the registration or qualification) of such Registrable Securities for the resale by the Holder under the securities or blue sky laws of such jurisdictions within the United States as any Holder reasonably requests in writing, to keep each registration or qualification (or exemption therefrom) effective during the Effectiveness Period and to do any and all other acts or things reasonably necessary to enable the disposition in such jurisdictions of the Registrable Securities covered by a Registration Statement; provided, that the Corporation shall not be required to qualify generally to do business in any jurisdiction where it is not then so qualified, subject the Corporation to any material tax in any such jurisdiction where it is not then so subject or file a general consent to service of process in any such jurisdiction.

(x) If requested by the Holders, cooperate with the Holders to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be delivered to a transferee pursuant to a Registration Statement, which certificates shall be free, to the extent permitted by the Stock Purchase Agreement, of all restrictive legends, and to enable such Registrable Securities to be in such denominations and registered in such names as any such Holders may request. In connection therewith, if required by the Corporation' s transfer agent, the Corporation shall promptly after the effectiveness of a Registration Statement cause an opinion of counsel as to the effectiveness of the Registration Statement to be delivered to and maintained with the transfer agent, together with any other authorizations, certificates and directions required by the transfer agent, which authorize and direct the transfer agent to issue such Registrable Securities without legend upon sale by the holder of such shares of Registrable Securities under the Registration Statement.

(xi) Upon the occurrence of any event contemplated by this Section 3.4(b), as promptly as reasonably possible under the circumstances taking into account the Corporation' s good faith assessment of any adverse consequences to the Corporation and its stockholders of the premature disclosure of such event, prepare a supplement or amendment, including a post-effective amendment, to a Registration Statement or a supplement to the related Prospectus or any document incorporated or deemed to be incorporated therein by reference, and file any other required document so that, as thereafter delivered, neither a Registration Statement nor Prospectus will contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. If the Corporation notifies and instructs the Holders in accordance with clauses (iii) through (vi) of Section 3.4(b)(iv) above to suspend the use of any Prospectus until the requisite changes to such

Prospectus have been made, then the Holders shall suspend use of such Prospectus; use its reasonable best efforts to ensure that the use of the Prospectus may be resumed as promptly as is practicable; and be entitled to exercise its right under this Section 3.4(b)(xi) to suspend the availability of a Registration Statement and Prospectus, subject to the payment of partial liquidated damages pursuant to Section 3.4(a)(ii), for a period not to exceed 40 calendar days (which need not be consecutive days) in any 12 month period.

(xii) Comply with all applicable rules and regulations of the Commission.

(c) The Corporation may require each selling Holder to furnish to the Corporation a certified statement as to the number of shares of Common Stock beneficially owned by such Holder and any affiliate thereof and as to any FINRA affiliations and, if required by the Commission, of any natural persons that have voting and dispositive control over the Registrable Securities. During any periods that the Corporation is unable to meet its obligations hereunder with respect to the registration of the Registrable Securities solely because any Holder fails to furnish such information within 3 Trading Days of the Corporation' s request, any liquidated damages that are accruing at such time as to such Holder only, as well as any other rights of such Holder under this Agreement, including without limitation, the right to include such Holder' s Registrable Securities in a Registration Statement shall be tolled and any Event that may otherwise occur solely because of such delay shall be suspended as to such Holder only, until such information is delivered to the Corporation; provided, however, that the Corporation shall use commercially reasonable efforts to include such Registrable Securities in such Registration Statement or the next most available Registration Statement as soon as possible after such information is furnished to the Corporation.

3.5 Piggyback Registration.

(a) Each time that the Corporation proposes for any reason to register any of its securities under the Securities Act, other than pursuant to a registration statement on Form S-4, Form S-8 or Form S-1 or similar or successor forms, but in regard to Form S-1 only in connection with the initial public offering of the Corporation' s Common Stock (collectively, "Excluded Forms"), the Corporation shall promptly give written notice of such proposed registration to all holders of Registrable Securities, which notice shall also constitute an offer to such holders to request inclusion of any Registrable Shares in the proposed registration.

(b) Each holder of Registrable Securities shall have 30 days from the receipt of such notice to deliver to the Corporation a written request specifying the number of Registrable Shares such holder intends to sell and the holder' s intended method of disposition.

(c) In the event that the proposed registration by the Corporation is, in whole or in part, an underwritten public offering of securities of the Corporation, any request under Section 3.5(b) may specify that the Registrable Shares be included in the underwriting (i) on the same terms and conditions as the shares of Common Stock, if any, otherwise being sold through underwriters under such registration, or (ii) on terms and conditions comparable to those normally applicable to offerings of common stock in reasonably similar circumstances in the event that no shares of Common Stock other than Registrable Shares are being sold through underwriters under such registration.

(d) Upon receipt of a written request pursuant to Section 3.5(b), the Corporation shall promptly use its best efforts to cause all such Registrable Shares to be registered under the Securities Act, to the extent required to permit sale or disposition as set forth in the written request.

(e) Notwithstanding the foregoing, if the managing underwriter of any such proposed registration determines and advises in writing that the inclusion of all Registrable Shares proposed to be included in the underwritten public offering, together with any other issued and outstanding shares of Common Stock proposed to be included therein by holders other than the holders of Registrable Securities (such other shares hereinafter collectively referred to as the "Other Shares") would interfere with the successful marketing of the Corporation' s securities, then the total number of such securities proposed to be included in such underwritten public offering shall be reduced, (i) first by the shares requested to be included in such registration by the holders of Other Shares, (ii) second, if necessary by all Registrable Securities which are not Series A-2 Registrable Securities, Series A-3 Registrable Securities or Series A-1 Registrable Securities, and (iii) third, if necessary, (A) one-half (1/2) by the securities proposed to be issued by the Corporation, and (B) one-half (1/2) by the holders of Series A-2 Registrable Shares, Series A-3 Registrable Shares and/or Series A-1 Registrable Shares proposed to be included in such registration by the holders thereof, on a pro rata basis calculated based upon the number of Registrable Shares, Series A-2 Registrable Shares, Series A-3 Registrable Shares or Series A-1 Registrable Shares sought to be registered by each such holder; provided, that the aggregate number of securities proposed to be included in such registration by the holders of Series A-2 Registrable Shares, Series A-3 Registrable Shares and/or Series A-1 Registrable Shares shall only be reduced hereunder if and to the extent that such securities exceed twenty-five percent (25%) of the aggregate number of securities included in such registration. The shares of Common Stock that are excluded from the underwritten public offering pursuant to the preceding sentence shall be withheld from the market by the holders thereof for a period, not to exceed 90 days from the closing of such underwritten public offering, that the managing underwriter reasonably determines as necessary in order to effect such underwritten public offering.

3.6 Registrations on Form S-3. At such time as the Registration Statement contemplated by Section 3.4 shall no longer be effective, each holder of Registrable Securities shall have the right to request in writing an unlimited number of registrations on Form S-3. Each such request by a holder shall: (a) specify the number of Registrable Shares which the holder intends to sell or dispose of, (b) state the intended method by which the holder intends to sell or dispose of such Registrable Shares, and (c) request registration of Registrable Shares having a proposed aggregate offering price of at least $1,000,000. Upon receipt of an adequate request pursuant to this Section 3.6, the Corporation shall use its best efforts to effect such registration or registrations on Form S-3.

3.7 Preparation and Filing. If and whenever the Corporation is under an obligation pursuant to the provisions of Sections 3.5 and/or 3.6 to use its best efforts to effect the registration of any Registrable Shares, the Corporation shall, as expeditiously as practicable:

(a) prepare and file with the Commission a registration statement with respect to such securities and use its best efforts to cause such registration statement to become and remain effective in accordance with Section 3.7(b) hereof;

(b) prepare and file with the Commission such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective until the earlier of (i) the sale of all Registrable Shares covered thereby or (ii) nine months from the date such registration statement first becomes effective, and to comply with the provisions of the Securities Act with respect to the sale or other disposition of all Registrable Shares covered by such registration statement;

(c) furnish to each holder whose Registrable Shares are being registered pursuant to this Section 3 such number of copies of any summary prospectus or other prospectus, including a preliminary prospectus, in conformity with the requirements of the Securities Act, and such other documents as such holder may reasonably request in order to facilitate the public sale or other disposition of such Registrable Shares;

(d) use its best efforts to register or qualify the Registrable Shares covered by such registration statement under the securities or blue sky laws of such jurisdictions as each holder whose Registrable Shares are being registered pursuant to this Section 3 shall reasonably request, and do any and all other acts or things which may be necessary or advisable to enable such holder to consummate the public sale or other disposition in such jurisdictions of such Registrable Shares; provided, however, that the Corporation shall not be required to consent to general service of process for all purposes in any jurisdiction where it is not then subject to process, qualify to do business as a foreign corporation where it would not be otherwise required to qualify or submit to liability for state or local taxes where it is not otherwise liable for such taxes;

(e) at any time when a prospectus covered by such registration statement and relating thereto is required to be delivered under the Securities Act within the appropriate period mentioned in Section 3.7(b) hereof, notify each holder whose Registrable Shares are being registered pursuant to this Section 3 of the happening of any event as a result of which the prospectus included in such registration, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing and, at the request of such holder, prepare, file and furnish to such holder a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such shares, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing;

(f) if the Corporation has delivered preliminary or final prospectuses to the holders of Registrable Shares that are being registered pursuant to this Section 3 and after having done so the prospectus is amended to comply with the requirements of the Securities Act, the Corporation shall promptly notify such holders and, if requested, such holders shall immediately cease making offers of Registrable Shares and return all prospectuses to the Corporation. The Corporation shall promptly provide such holders with revised prospectuses and, following receipt of the revised prospectuses, such holders shall be free to resume making offers of the Registrable Shares; and

(g) furnish, at the request of any holder whose Registrable Shares are being registered pursuant to this Section 3, on the date that such Registrable Shares are delivered to the underwriters for sale in connection with a registration pursuant to this Section 3 if such securities are being sold through underwriters, or on the date that the registration statement with respect to such securities becomes effective if such securities are not being sold through underwriters, (i) an opinion, dated such date, of the counsel representing the Corporation for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering, addressed to the underwriters, if any, and to the holder or holders making such request, and (ii) a letter dated such date, from the independent certified public accountants of the Corporation, in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering, addressed to the underwriters, if any, and to the holder or holders making such request.

3.8 Expenses. The Corporation shall pay all expenses incurred by the Corporation in complying with this Section 3, including, without limitation, all registration and filing fees (including

all expenses incident to filing with the FINRA), fees and expenses of complying with the securities and blue sky laws of all such jurisdictions in which the Registrable Shares are proposed to be offered and sold, printing expenses and fees and disbursements of counsel (including with respect to each registration effected pursuant to Sections 3.4, 3.5 and 3.6, the reasonable fees and disbursements of a counsel for the holders of Registrable Shares that are being registered pursuant to this Section 3, such counsel for the holders of Registrable Shares shall be designated by a vote of a majority of the holders of Registrable Shares to be included in such registration, determined in accordance with Article III, Section A.6(a) of the Certificate); provided, however, that all underwriting discounts and selling commissions applicable to the Registrable Shares covered by registrations effected pursuant to Section 3.4, 3.5 or 3.6 hereof shall be borne by the seller or sellers thereof, in proportion to the number of Registrable Shares sold by each such seller or sellers.

3.9 Indemnification.

(a) In the event of any registration of any Registrable Shares under the Securities Act pursuant to this Section 3 or registration or qualification of any Registrable Shares pursuant to Section 3.7(d) hereof, the Corporation shall indemnify and hold harmless the seller of such shares, each underwriter of such shares, if any, each broker or any other person acting on behalf of such seller and each other person, if any, who controls any of the foregoing persons, within the meaning of the Securities Act, against any losses, claims, damages or liabilities, joint or several, to which any of the foregoing persons may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any registration statement under which such Registrable Shares were registered under the Securities Act, any preliminary prospectus or final prospectus contained therein, or any amendment or supplement thereto, or any document incident to registration or qualification of any Registrable Shares pursuant to Section 3.7(d) hereof or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading or, with respect to any prospectus, necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or any violation by the Corporation of the Securities Act or any state securities or blue sky laws applicable to the Corporation and relating to action or inaction required of the Corporation in connection with such registration or qualification under the Securities Act or such state securities or blue sky laws. The Corporation shall reimburse on demand such seller, underwriter, broker or other person acting on behalf of such seller and each such controlling person for any legal or any other expenses reasonably incurred by any of them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the Corporation shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in said registration statement, preliminary or final prospectus or amendment or supplement thereto or any document incident to registration or qualification of any Registrable Shares pursuant to Section 3.7(d) hereof, in reliance upon and in conformity with written information furnished to the Corporation by such seller, underwriter, broker, other person or controlling person specifically for use in the preparation hereof.

(b) Before Registrable Shares held by any prospective seller shall be included in any registration pursuant to this Section 3, such prospective seller and any underwriter acting on its behalf shall have agreed to indemnify and hold harmless (in the same manner and to the same extent as set forth in paragraph (a)) the Corporation, each director of the Corporation, each officer of the Corporation who signs such registration statement and any person who controls the Corporation within the meaning of the Securities Act, with respect to any untrue statement or omission from such registration statement, any preliminary prospectus or final prospectus contained therein, or any amendment or supplement thereto, if such untrue statement or omission was made in reliance upon and in conformity

with written information furnished to the Corporation through an instrument duly executed by such seller or such underwriter specifically for use in the preparation of such registration statement, preliminary prospectus, final prospectus or amendment or supplement; provided, however, that the maximum amount of liability in respect of such indemnification shall be limited, in the case of each prospective seller, to an amount equal to the net proceeds actually received by such prospective seller from the sale of Registrable Shares effected pursuant to such registration.

(c) Promptly after receipt by an indemnified party of notice of the commencement of any action involving a claim referred to in Section 3.9(a) or (b) hereof, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 3.9, give written notice to the latter of the commencement of such action. In case any such action is brought against an indemnified party, the indemnifying party will be entitled to participate in and to assume the defense thereof jointly with any other indemnifying party similarly notified to the extent that it may wish, with counsel reasonably satisfactory to such indemnified party, and, after notice to such indemnified party from the indemnifying party of its election to assume the defense thereof, the indemnifying party shall be responsible for any legal or other expenses subsequently incurred by such indemnifying party in connection with the defense thereof; provided, however, that, if any indemnified party shall have reasonably concluded that there may be one or more legal defenses available to such indemnified party which are different from or additional to those available to the indemnifying party, or that such claim or litigation involves or could have an effect upon matters beyond the scope of the indemnity agreement provided in this Section 3.9, the indemnifying party shall not have the right to assume the defense of such action on behalf of such indemnified party, and such indemnifying party shall reimburse such indemnified party and any person controlling such indemnified party for the fees and expenses of counsel retained by the

indemnified party which are reasonably related to the matters covered by the indemnity agreement provided in this Section 3.9. The indemnifying party shall not make any settlement of any claims in respect of which it is obligated to indemnify an indemnified party or parties hereunder, without the written consent of the indemnified party or parties, which consent shall not be unreasonably withheld.

(d) In order to provide for just and equitable contribution to joint liability under the Securities Act, in any case in which either (i) any holder of Registrable Shares exercising rights under this Agreement, or any controlling person of any such holder, makes a claim for indemnification pursuant to this Section 3.9, but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case notwithstanding the fact that this Section 3.9 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any such holder or any such controlling person in circumstances for which indemnification is provided under this Section 3.9; then, in each such case, the Corporation and such holder will contribute to the aggregate losses, claims, damages or liabilities to which they may be subject as is appropriate to reflect the relative fault of the Corporation and such holder in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities, it being understood that the parties acknowledge that the overriding equitable consideration to be given effect in connection with this provision is the ability of one party or the other to correct the statement or omission which resulted in such losses, claims, damages or liabilities, and that it would not be just and equitable if contribution pursuant hereto were to be determined by pro rata allocation or by any other method of allocation which does not take into consideration the foregoing equitable considerations. Notwithstanding the foregoing, (i) no such holder will be required to contribute any amount in excess of the proceeds to it of all Registrable Shares sold by it pursuant to such registration statement, and (ii) no person or entity guilty of fraudulent misrepresentation, within the meaning of Section 11(f) of the Securities Act, shall be entitled to contribution from any person or entity who is not guilty of such fraudulent misrepresentation.

(e) Notwithstanding any of the foregoing, if, in connection with an underwritten public offering of any Registrable Shares, the Corporation, the holders of such Registrable Shares and the underwriters enter into an underwriting or purchase agreement relating to such offering which contains provisions covering indemnification among the parties, then the indemnification provision of this Section 3.9 shall be deemed inoperative for purposes of such offering.

3.10 Removal of Legends, Etc. Notwithstanding the foregoing provisions of this Section 3, the restrictions imposed by this Section 3 upon the transferability of any Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock shall cease and terminate when (a) any such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock are sold or otherwise disposed of in accordance with the intended method of disposition by the seller or sellers thereof set forth in a registration statement or such other method contemplated by Section 3.3 hereof that does not require that the securities transferred bear the legend set forth in Section 3.2 hereof, including a Transfer pursuant to Rule 144 or a successor rule thereof (as amended from time to lime), or (b) the holder of Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock has met the requirements for transfer of such Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock pursuant to subparagraph (b)(1) of Rule 144 or a successor rule thereof (as amended from time to time) promulgated by the Commission under the Securities Act. Whenever the restrictions imposed by this Section 3 have terminated, a holder of a certificate for Restricted Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock as to which such restrictions have terminated shall be entitled to receive from the Corporation, without expense, a new certificate not bearing the restrictive legend set forth in Section 3.2 hereof and not containing any other reference to the restrictions imposed by this Section 3. Notwithstanding the above, nothing herein shall limit the restrictions imposed upon transfer of the Restricted Securities pursuant to Section 8 hereof nor the imposition of the legend provided for therein.

3.11 Lock-up Agreement.

(a) Each Stockholder agrees that, during the 180-day period following the date hereof, such Stockholder will not, without the prior written consent of the Company, sell, assign, transfer, make a short sale of, loan, grant any option for the purchase of, or exercise registration rights with respect to any shares of Common Stock or shares of capital stock or other securities of the Corporation convertible into or exercisable for, whether directly or indirectly, shares of Common Stock, other than to a member of such Stockholder' s

Group; provided, however, that notwithstanding the foregoing but subject to the provisions of Section 3.11(b) below, (i) on or at any time after each of the dates listed in the table below under the caption "Initial Lock-up Release Date", such Stockholder shall be permitted to sell, assign, transfer, make a short sale of, loan, or grant any option for the purchase of, with respect to that number of shares of Common Stock issued or issuable upon conversion of shares of Series A-1 Conversion Shares (the "Series A-1 Conversion Shares") held or issuable to such Stockholder that corresponds to a percentage of the total number of Series A-1 Conversion Shares held or issuable to such Stockholder at such time, which percentage is set forth in the table below under the caption "Initial Lock-up Release Percentage".

Initial Lock-up Release Date	Initial Lock-up Release Percentage
30th day after the date of this Agreement	5%
60th day after the date of this Agreement	15%
90th day after the date of this Agreement	30%
120th day after the date of this Agreement	50%

(b) Notwithstanding the foregoing, (A) subject to clause (C) below, the restriction on transfer set forth in Section 3.11(a) above shall not apply to block trades of 10,000 shares or more of the Series A-1 Conversion Shares, (B) subject to clause (C) below, if, on or at any time after any date listed in the table set forth in Section 3.11(a) above, the average of the closing bid and ask price of the Company' s Common Stock if quoted on any electronic quotation system, including but not limited to the OTC:BB for the five (5) trading days ending on such date, or the average last-sale price of the Company' s Common Stock if listed on a national securities exchange for the five (5) trading days ending on such date, is greater than $16.29 per share (subject to proportionate and equitable adjustment upon any stock split, stock dividend, reverse stock split or similar event that becomes effective after the date of this Agreement), the percentage in the table set forth in Section 3.11(a) above that corresponds to such date shall be doubled and (C) in no event shall any Stockholder be permitted, during the period commencing on the date hereof and ending on the date of the listing of the Company' s Common Stock on a national securities exchange, to sell, assign, transfer, make a short sale of, loan, grant any option for the purchase of, or exercise registration rights with respect to any Series A-1 Conversion Shares for a price less than $8.142 (subject to proportionate and equitable adjustment upon any stock split, stock dividend, reverse stock split or similar event that becomes effective after the date of this Agreement), except (x) with the prior written consent of the Company or (y) to a member of such Stockholder' s Group.

(c) Each Stockholder agrees further that, if the Company or a managing underwriter so requests of such Stockholder in connection with a registered public offering of securities of the Company, such Stockholder will not, without the prior written consent of the Company or such underwriters, sell, assign, transfer, make a short sale of, loan, grant any option for the purchase of, or exercise registration rights with respect to any shares of Common Stock or shares of capital stock or other securities of the Corporation convertible into or exercisable for, whether directly or indirectly, shares of Common Stock, other than to a member of such Stockholder' s Group, during the period of (i)180 days following the closing of the first public offering of securities offered and sold for the account of the Corporation that is registered under the Securities Act, or (ii) 90 days following the closing of any other public offering of securities offered and sold for the account of the Corporation that is registered under the Securities Act ; provided that such request is made of all officers, directors and 1% and greater Stockholders and each such person shall be similarly bound; and, provided, further, that nothing in this Section 3.11(c) shall prevent any Stockholder from participating in any registered public offering of the Corporation as a selling stockholder or security holder.

(d) In the event that the Corporation releases or causes to be released any Stockholder from any restrictions on transfer set forth in the foregoing provisions of this Section 3.11, the Corporation shall release or cause to be released all other Stockholders in similar fashion and any such release of all Stockholders shall be implemented on a pro rata basis.

3.12 Duration of Section. With respect to each holder of Registrable Shares, Sections 3.4, 3.5 and 3.6 shall automatically terminate for that holder on the fourth anniversary of the Filing Date.

SECTION 4. Election of Directors.

4.1 Voting for Directors. At the first annual meeting of the Stockholders of the Corporation after the Stage I Closing, and thereafter at each annual meeting and each special meeting of the Stockholders of the Corporation called for the purposes of electing directors of the Corporation, and at any time at which Stockholders of the Corporation shall have the right to, or shall, vote or consent to the election of directors, then, in each such event, each Stockholder shall vote all shares of Preferred Stock, Common Stock and any other shares of voting stock of the Corporation then owned (or controlled as to voting rights) by it, him or her, whether by purchase, exercise of rights, warrants or options, stock dividends or otherwise:

(a) to fix and maintain the number of directors on the Board at seven (7);

(b) to the extent entitled under the Certificate as in effect as of the date of this Agreement, to elect as Directors of the Corporation on the date hereof and in any subsequent election of Directors the following individuals:

(i) in the case of the two (2) directors to be elected by the holders of Series A-1 Preferred Stock under the Certificate, two (2) individuals to be designated by the affirmative vote or written consent of the holders of a majority of the outstanding shares of Series A-1 Preferred Stock (the "Series A-1 Directors"), who shall initially be Ansbert Gadicke and Martin Muenchbach.

(ii) in the case of the one (1) director to be elected by the G3 Holders (as defined in the Certificate), one (1) director to be designated by the affirmative vote or written consent of those G3 Holders holding a majority of the shares held by the G3 Holders (the "Specified Preferred Director"), who shall initially be Jonathan Fleming, provided, however, that in order to be eligible to vote or consent with respect to the designation of an individual as a nominee for election as the Specified Preferred Director, a G3 Holder together with members of such G3 Holders' Group must hold greater than twenty percent (20%) of the Preferred Stock purchased under the Series A-1 Stock Purchase Agreement by such G3 Holder and members of such G3 Holders' Group;

(iii) in the case of the one (1) director to be elected by MPM, one (1) director to be designated by the affirmative vote or written consent of MPM, provided that such director be an individual with particular expertise in the development of pharmaceutical products, as reasonably determined by MPM, if any (the "Industry Expert Director" and together with the Series A-1 Directors and the Specified Preferred Director, the "Investor Directors"), who shall initially be Elizabeth Stoner, provided, further, however, that in order to be eligible to vote or consent with respect to the designation of an individual as a nominee for election as the Industry Expert Preferred Director, MPM together with members of the MPM Group must hold greater than twenty percent (20%) of the Preferred Stock purchased under the Series A-1 Stock Purchase Agreement by MPM and members of the MPM Group.

(iv) in the case of the remaining directors to be elected by the holders of Preferred Stock and Common Stock, voting together as a single class, under the Certificate, three (3) individuals as follows:

a. two industry or market experts, each of whom shall be designated by a majority of the other members of the Board, including a majority of the Investor Directors (the "Independent Directors"), and who shall initially be Alan Auerbach and Kurt Graves; and

b. the Chief Executive Officer of the Corporation, who shall initially be Richard Lyttle.

4.2 Observer Rights.

(a) HCV VII shall have the right to appoint an observer to the Board (the "HCV Observer") as long as HCV VII, together with members of the HCV Group, holds greater than seventy five percent (75%) of the Series A-1 Preferred Stock originally purchased by HCV VII and members of the HCV Group pursuant to the Purchase Agreement. The HCV Observer shall have the right to attend all meetings of the Board in a non-voting observer capacity, and the Corporation shall provide to the HCV Observer all materials provided to the members of the Board and notice of such meetings, all in the manner and at the time provided to the members of the Board; provided, however, that the Corporation reserves the right to exclude such representatives from access to any material or meeting or portion thereof if the Corporation believes upon advice of counsel that such exclusion is necessary to preserve the attorney-client privilege or to protect highly confidential information, the disclosure of which should not be made to any person who does not have a fiduciary or other similar duty to the Corporation. The decision of the Board with respect to the privileged or confidential nature of such information shall be final and binding. HCV VII' s rights under this Section 4.2(a) may only be assigned in connection with the transfer of all of the Preferred Stock held by HCV VII to the assignee. In addition and without limiting the foregoing, in the event that HCV VII appoints any person to be the HCV Observer under this Section 4.2(a) who, in the good faith determination of the Board, has conflicting interests with the Corporation, then the Corporation shall have the right, at any time and from time to time, to exclude the HCV Observer from access to any meeting, or any portion thereof, and/or deny the HCV Observer access to any information and documents, or any portions thereof.

(b) Saints Capital IV, L.P. ("Saints") shall have the right to appoint an observer to the Board (the "Saints Observer") as long as Saints, together with other members of the Saints/Oxford Group, holds greater than seventy-five percent (75%) of the Series A-1 Preferred Stock originally purchased by Saints and the other member of the Saints/Oxford Group pursuant to the Purchase Agreement. The Saints Observer shall have the right to attend all meetings of the Board in a non-voting observer capacity, and the Corporation shall provide to the Saints Observer all materials provided to the members of the Board and notice of such meetings, all in the manner and at the time provided to the members of the Board; provided, however, that the Corporation reserves the right to exclude such representatives from access to any material or meeting or portion thereof if the Corporation believes upon advice of counsel that such exclusion is necessary to preserve the attorney-client privilege or to protect highly confidential information, the disclosure of which should not be made to any person who does not have a fiduciary or other similar duty to the Corporation. The decision of the Board with respect to the privileged or confidential nature of such information shall be final and binding. Saints' rights under this Section 4.2(b) may only be assigned in connection with the transfer of all of the Preferred Stock held by Saints to the assignee. In addition and without limiting the foregoing, in the event that Saints appoints any person to be the Saints Observer under this Section 4.2(b) who, in the good faith determination of the Board, has conflicting interests with the Corporation, then the Corporation shall have the right, at any time and from time to time, to exclude the Saints Observer from access to any meeting, or any portion thereof, and/or deny the Saints Observer access to any information and documents, or any portions thereof.

(c) Brookside shall have the right to appoint an observer to the Board (the "Brookside Observer") as long as Brookside, together with other members of the Brookside Group, holds greater than seventy-five percent (75%) of the Series A-1 Preferred Stock originally purchased by Brookside and the other member of the Brookside Group pursuant to the Purchase Agreement. The Brookside Observer shall have the right to attend all meetings of the Board in a non-voting observer

capacity, and the Corporation shall provide to the Brookside Observer all materials provided to the members of the Board and notice of such meetings, all in the manner and at the time provided to the members of the Board; provided, however, that the Corporation reserves the right to exclude such representatives from access to any material or meeting or portion thereof if the Corporation believes upon advice of counsel that such exclusion is necessary to preserve the attorney-client privilege or to protect highly confidential information, the disclosure of which should not be made to any person who does not have a fiduciary or other similar duty to the Corporation. The decision of the Board with respect to the privileged or confidential nature of such information shall be final and binding. Brookside' s rights under this Section 4.2(c) may only be assigned in connection with the transfer of all of the Preferred Stock held by Brookside to the assignee. In addition and without limiting the foregoing, in the event that Brookside appoints any person to be the Brookside Observer under this Section 4.2(c) who, in the good faith determination of the Board, has conflicting interests with the Corporation, then the Corporation shall have the right, at any time and from time to time, to exclude the Brookside Observer from access to any meeting, or any portion thereof, and/or deny the Brookside Observer access to any information and documents, or any portions thereof.

(d) Wellcome shall have the right to appoint an observer to the Board (the "Wellcome Observer") as long as Wellcome holds greater than seventy five percent (75%) of the Series A-1 Preferred Stock originally purchased by Wellcome pursuant to the Purchase Agreement. The Wellcome Observer shall have the right to attend all meetings of the Board in a non-voting observer capacity, and the Corporation shall provide to the Wellcome Observer all materials provided to the members of the Board and notice of such meetings, all in the manner and at the time provided to the members of the Board; provided, however, that the Corporation reserves the right to exclude such representatives from access to any material or meeting or portion thereof if the Corporation believes upon advice of counsel that such exclusion is necessary to preserve the attorney-client privilege or to protect highly confidential information, the disclosure of which should not be made to any person who does not have a fiduciary or other similar duty to the Corporation. The decision of the Board with respect to the privileged or confidential nature of such information shall be final and binding. Wellcome' s rights under this Section 4.2(a) may only be assigned in connection with the transfer of all of the Preferred Stock held by Wellcome to the assignee. In addition and without limiting the foregoing, in the event that Wellcome appoints any person to be the Wellcome Observer under this Section 4.2(a) who, in the good faith determination of the Board, has conflicting interests with the Corporation, then the Corporation shall have the right, at any time and from time to time, to exclude the Wellcome Observer from access to any meeting, or any portion thereof, and/or deny the Wellcome Observer access to any information and documents, or any portions thereof.

4.3 Cooperation of the Corporation. The Corporation shall use its best efforts to effectuate the purposes of this Section 4, including (i) taking such actions as are necessary to convene annual and/or special meetings of the Stockholders for the election of directors and (ii) promoting the adoption of any necessary amendment of the by-laws of the Corporation and the Certificate.

4.4 Notices. The Corporation shall provide the Series A-1 Stockholders, MPM and the Specified Preferred Holders with at least twenty (20) days' prior notice in writing of any intended mailing of notice to the Stockholders of a meeting at which directors are to be elected, and such notice shall include the names of the persons designated by the Corporation pursuant to this Section 4. The Series A-1 Stockholders, MPM and the Specified Preferred Holders shall notify the Corporation in writing at least three (3) days prior to such mailing of the persons designated by them respectively pursuant to Section 4.1 above as nominees for election to the Board. In the absence of any notice from the Series A-1 Stockholders, MPM and the Specified Preferred Holders, the director(s) then serving and previously designated by the Series A-1 Stockholders, MPM and the Specified Preferred Holders, as applicable, shall be renominated.

4.5 Removal. Except as otherwise provided in this Section 5, no Stockholder shall vote to remove any member of the Board designated in accordance with the foregoing provisions of this Section 4 unless the party or group of stockholders, as applicable, who designated such director (the "Designating Party") shall so vote or otherwise consent, and, if the Designating Party shall so vote or otherwise consent, then the non-designating Stockholders shall likewise so vote. Any vacancy on the Board created by the resignation, removal, incapacity or death of any person designated under the foregoing provisions of this Section 4 may be filled by another person designated by the original Designating Party. Each Stockholder shall vote all shares of voting stock of the Corporation owned or controlled by such Stockholder in accordance with each such new designation.

4.6 Quorum. A quorum for any meeting of the Board of Directors shall consist of a majority of all directors; provided, that at least a majority of the Investor Directors is in attendance at such meeting. If, at any meeting, a quorum is not present for any reason, then another Board of Directors meeting may be convened within no less than two (2) and no more than ten (10) business days and, at such meeting, a majority of all directors shall constitute a quorum for all purposes.

4.7 Committees. Each of the Investor Directors shall have the right to sit on any committee of the Board of Directors.

4.8 Duration of Section. This Section 4 and the rights and obligations of the parties hereunder shall automatically terminate on the earlier of (i) the consummation of an Event of Sale (as defined in the Certificate) or (ii) the automatic conversion of all of the Preferred Stock of the Corporation pursuant to the Certificate as a result of the listing, or the admitting for trading, of the Common Stock on a national securities exchange. Prior to such termination, the rights and obligations of any Preferred Stockholder under this Section 4 shall

terminate upon the date on which such Preferred Stockholder or its Group no longer owns any Preferred Stock, whereupon the obligations of the remaining Stockholders to vote in favor of the designee of such Preferred Stockholder shall also terminate.

SECTION 5. Indemnification.

5.1 Indemnification of Investors. In the event that any Series A-1 Preferred Stockholder, Series A-2 Preferred Stockholder, Series A-3 Preferred Stockholder, Series A-5 Preferred Stockholder, Series A-6 Preferred Stockholder or any director, officer, employee, affiliate or agent thereof (the "Indemnitees"), become involved in any capacity in any action, proceeding, investigation or inquiry in connection with or arising out of any matter related to the Corporation or any Indemnitee' s role or position with the Corporation, the Corporation shall reimburse each Indemnitee for its legal and other expenses (including the cost of any investigation and preparation) as they are incurred by such Indemnitee in connection therewith. The Corporation also agrees to indemnify each Indemnitee, pay on demand and protect, defend, save and hold harmless from and against any and all liabilities, damages, losses, settlements, claims, actions, suits, penalties, fines, costs or expenses (including, without limitation, attorneys' fees) (any of the foregoing, a "Claim") incurred by or asserted against any Indemnitee of whatever kind or nature, arising from, in connection with or occurring as a result of this Agreement or the matters contemplated by this Agreement; provided, however, that the Corporation shall not be required to indemnify any Indemnitee hereunder in connection with any matter as to which a court of competent jurisdiction has made a final non-appealable determination that such Indemnitee has acted with gross negligence or willful or intentional misconduct in connection therewith. The foregoing agreement shall be in addition to any rights that any Indemnitee may have at common law or otherwise.

5.2 Advancement of Expenses. The Corporation shall advance all expenses reasonably incurred by or on behalf of the Indemnitees in connection with any Claim or potential Claim

within twenty (20) days after the receipt by the Corporation of a statement or statements from the Indemnitee requesting such advance payment or payments from time to time.

SECTION 6. Remedies. In case any one or more of the covenants and/or agreements set forth in this Agreement shall have been breached by any party hereto, the party or parties entitled to the benefit of such covenants or agreements may proceed to protect and enforce its or their rights, either by suit in equity and/or action at law, including, but not limited to, an action for damages as a result of any such breach and/or an action for specific performance of any such covenant or agreement contained in this Agreement. The rights, powers and remedies of the parties under this Agreement are cumulative and not exclusive of any other right, power or remedy which such parties may have under any other agreement or law. No single or partial assertion or exercise of any right, power or remedy of a party hereunder shall preclude any other or further assertion or exercise thereof.

SECTION 7. Successors and Assigns.

7.1 Series A-1, A-2 and A-3 Stockholders. Except as otherwise expressly provided herein, this Agreement shall bind and inure to the benefit of the Corporation and each of the Series A-1 Stockholder, Series A-2 Stockholder and Series A-3 Stockholder parties hereto and the respective successors and permitted assigns of the Corporation and each of the Series A-1 Stockholder, Series A-2 Stockholder and Series A-3 Stockholder parties hereto (including any member of a Stockholder' s Group). Subject to the requirements of Section 3 hereof, this Agreement and the rights and duties of the Series A-1 Stockholder, Series A-2 Stockholder and Series A-3 Stockholder set forth herein may be freely assigned, in whole or in part, by each Series A-1 Stockholder, Series A-2 Stockholder and Series A-3 Stockholder to any member of their respective Group, provided such transferee is an "affiliate" of such Series A-1 Stockholder, Series A-2 Stockholder or Series A-3 Stockholder, as the case may be, as such term is defined under Rule 501 of the Securities Act (it being recognized and agreed that each member of the Oxford/Saints Group shall be deemed to be "affiliates" of each other for this purpose). Any transferee from a Series A-1 Stockholder, Series A-2 Stockholder or Series A-3 Stockholder, as the case may be, to whom rights under Section 3 are transferred shall, as a condition to such transfer, deliver to the Corporation a written instrument by which such transferee identifies itself, gives the Corporation notice of the transfer of such rights, identities the securities of the Corporation owned or acquired by it and agrees to be bound by the obligations imposed hereunder to the same extent as if such transferee were a Series A-1 Stockholder, Series A-2

Stockholder or Series A-3 Stockholder, as applicable, hereunder. A transferee to whom rights are transferred pursuant to this Section 7.1 will be thereafter deemed to be a Series A-1 Stockholder, Series A-2 Stockholder or Series A-3 Stockholder, as applicable, for the purpose of the execution of such transferred rights and may not again transfer such rights to any other person or entity, other than as provided in this Section 7.1. Upon the consummation of the Merger: (i) all of the rights and obligations of this Agreement pertaining to the Series A-1 Stockholders and the shares of Series A-1 Preferred Stock of the Corporation held by them shall be deemed to apply in the same manner to the holders of Series A-1 Preferred Stock, par value $0.0001 per share of MPM Acquisition Corp., a Delaware corporation ("MPMAC"), and the shares of such MPMAC Series A-1 Preferred Stock held by them, respectively, as if such shares of MPMAC stock were shares of Series A-1 Preferred Stock for all purposes of this Agreement; (ii) all of the rights and obligations of this Agreement pertaining to the Series A-2 Stockholders and the shares of Series A-2 Preferred Stock of the Corporation held by them shall be deemed to apply in the same manner to the holders of Series A-2 Preferred Stock, par value $0.0001 per share of MPMAC, and the shares of such MPMAC Series A-2 Preferred Stock held by them, respectively, as if such shares of MPMAC stock were shares of Series A-2 Preferred Stock for all purposes of this Agreement; and (iii) all of the rights and obligations of this Agreement pertaining to the Series A-3 Stockholders and the shares of Series A-3 Preferred Stock of the Corporation held by them shall be deemed to apply in the same manner to the holders of Series A-3 Preferred Stock, par value $0.0001 per share of MPMAC, and the shares of such MPMAC Series A-3

Preferred Stock held by them, respectively, as if such shares of MPMAC stock were shares of Series A-3 Preferred Stock for all purposes of this Agreement.

7.2 Other Stockholders. Except as otherwise expressly provided herein, this Agreement shall bind and inure to the benefit of the Corporation and each of the Common Stockholders and the Series A-4 Stockholders, Series A-5 Stockholders and Series A-6 Stockholders (collectively, the "Other Stockholders") and the respective successors and permitted assigns of the Corporation and each of the Other Stockholders. Subject to the requirements of Section 3 hereof, this Agreement and the rights and duties of the Other Stockholders set forth herein may be assigned, in whole or in part, by any Other Stockholder to a Related Transferee or to any member of their respective Group, provided such transferee is an "affiliate" of such Other Stockholder, as such term is defined under Rule 501 of the Securities Act (it being recognized and agreed that each Member of the Oxford/Saints Group shall be deemed to be "affiliates" of each other for this purpose). Any transferee from an Other Stockholder to whom rights under Section 3 are transferred shall, as a condition to such transfer, deliver to the Corporation a written instrument by which such transferee identifies itself, gives the Corporation notice of the transfer of such rights, identifies the securities of the Corporation owned or acquired by it and agrees to be bound by the obligations imposed hereunder to the same extent as if such transferee were an Other Stockholder hereunder. A transferee to whom rights are transferred pursuant to this Section 7.2 will be thereafter deemed to be an Other Stockholder for the purpose of the execution of such transferred rights and may not again transfer such rights to any other person or entity, other than as provided in this Section 7.2. Upon the consummation of the Merger: (i) all of the rights and obligations of this Agreement pertaining to the holders of Common Stock and the shares of Common Stock of the Corporation held by them shall be deemed to apply in the same manner to the holders of Common Stock, par value $0.0001 per share of MPMAC, and the shares of such MPMAC Common Stock held by them, respectively, as if such shares of MPMAC stock were shares of Common Stock for all purposes of this Agreement; (ii) all of the rights and obligations of this Agreement pertaining to the Series A-4 Stockholders and the shares of Series A-4 Preferred Stock of the Corporation held by them shall be deemed to apply in the same manner to the holders of Series A-4 Preferred Stock, par value $0.0001 per share of MPMAC, and the shares of such MPMAC Series A-4 Preferred Stock held by them, respectively, as if such shares of MPMAC stock were shares of Series A-4 Preferred Stock for all purposes of this Agreement; (iii) all of the rights and obligations of this Agreement pertaining to the Series A-5 Stockholders and the shares of Series A-5 Preferred Stock of the Corporation held by them shall be deemed to apply in the same manner to the holders of Series A-5 Preferred Stock, par value $0.0001 per share of MPMAC, and the shares of such MPMAC Series A-5 Preferred Stock held by them, respectively, as if such shares of MPMAC stock were shares of Series A-5 Preferred Stock for all purposes of this Agreement; and (iv) all of the rights and obligations of this Agreement pertaining to the Series A-2 Stockholders and the shares of Series A-6 Preferred Stock of the Corporation held by them shall be deemed to apply in the same manner to the holders of Series A-6 Preferred Stock, par value $0.0001 per share of MPMAC, and the shares of such MPMAC Series A-6 Preferred Stock held by them, respectively, as if such shares of MPMAC stock were shares of Series A-6 Preferred Stock for all purposes of this Agreement.

7.3 The Corporation. Neither this Agreement nor any of the rights or duties of the Corporation set forth herein shall be assigned by the Corporation, in whole or in part, without having first received the written consent of the Majority Investors. Notwithstanding the foregoing, upon the consummation of the Merger with respect to all times after the consummation of the Merger, (i) the Corporation shall, and hereby does, assign all of its rights, duties and obligations under this Agreement to MPMAC and (ii) all references to the "Corporation" in this Agreement and to its capital stock or any other aspects of the Corporation shall be deemed to be references to MPMAC and its capital stock and other applicable aspects of MPMAC. MPMAC, by executing this Agreement as an anticipated successor and assign to the Corporation, does hereby assume, effective upon the consummation of the

Merger, all of the Corporation' s rights, duties and obligations under this Agreement. All parties to this Agreement hereby consent to the assignment and assumption contemplated between the Corporation and MPMAC set forth in this paragraph.

SECTION 8. Duration of Agreement. The rights and obligations of the Corporation and each Stockholder set forth herein shall survive indefinitely, unless and until, by the respective terms of this Agreement, they are no longer applicable.

SECTION 9. Entire Agreement. This Agreement, together with the other writings referred to herein or delivered pursuant hereto which form a part hereof, contains the entire agreement among the parties with respect to the subject matter hereof and amends, restates and supersedes all prior and contemporaneous arrangements or understandings with respect thereto.

SECTION 10. Notices. All notices, requests, consents and other communications hereunder to any party shall be deemed to be sufficient if contained in a written instrument delivered in person or duly sent by first class registered, certified or overnight mail, postage prepaid, or telecopied with a confirmation copy by regular mail, addressed or telecopied, as the case may be, to such party at the address or telecopier number, as the case may be, set forth below or such other address or telecopier number, as the case may be, as may hereafter be designated in writing by the addressee to the addressor listing all parties:

(i) if to the Corporation, to:

Radius Health, Inc.
201 Broadway
Sixth Floor
Cambridge, MA 02139
Attention: Chief Executive Officer

Telecopier: (617) 551-4701

with a copy to:

Bingham McCutchen LLP
One Federal Street
Boston, MA 02110-1726
Attention: Julio E. Vega, Esq.
Telecopier: (617) 951-8736

(ii) if to the Investors, as set forth on Schedule 2; to the Common Stockholders, as set forth on Schedule 1; to the holders of Series A-2 Preferred Stock, as set forth on Schedule 3; to the holders of Series A-3 Preferred Stock, as set forth on Schedule 4; to the holders of Series A-4 Preferred Stock, as set forth on Schedule 5; to the holder of Series A-5 Preferred Stock and/or Series A-6 Preferred Stock, as set forth on Schedule 6,

All such notices, requests, consents and communications shall be deemed to have been received (a) in the case of personal delivery, on the date of such delivery, (b) in the case of mailing, on the third business day following the date of such mailing, (c) in the case of overnight mail, on the first business day following the date of such mailing, and (d) in the case of facsimile transmission, when confirmed by facsimile machine report.

SECTION 11. Changes. The terms and provisions of this Agreement may not be modified or amended, or any of the provisions hereof waived, temporarily or permanently, except pursuant to the written consent of the Corporation and the Majority Investors, and to the extent that there is a material adverse effect of any such modification or amendment on the rights and obligations of the holders of shares of Series A-4 Preferred Stock, Series A-5 Preferred Stock or Series A-6 Preferred Stock in a manner more adverse than such effect on the holders of Series A-1 Preferred Stock, Series A-2 Preferred Stock or Series A-3 Preferred Stock, respectively, a majority in combined voting power of the such more affected series then outstanding, determined in accordance with Section A.6(a) of Article III of the Certificate. Additional parties who become Common Stockholders or Series A-4 Stockholders, Series A-5 Stockholders or Series A-6 Stockholders pursuant to an instrument of adherence will not constitute a change under this Section 11. Notwithstanding the foregoing, (a) any modification or amendment to this Agreement that would adversely affect one Series A-1 Stockholder, Series A-2 Stockholder or Series A-3 Stockholder in a manner that is directed specifically to such Series A-1 Stockholder, Series A-2 Stockholder or Series A-3 Stockholder, rather than to all Series A-1 Stockholders, Series A-2 Stockholders and Series A-3 Stockholders, shall be subject to the approval of each such Series A-1 Stockholder, Series A-2 Stockholder or Series A-3 Stockholder, as applicable, (b) any modification or amendment to Section 2.11 hereof shall be subject to the further approval of Wellcome, at least one member of HCV Group, one member of the MPM Group, one member of the Brookside Group, one member of the BB Bio Group, and the Oxford/Saints Group, (c) any modification to Section 4.1(b)(i) shall be subject to the further approval of Stockholders holding at least a majority of the outstanding shares of Series A-1 Preferred Stock, (d) any modification to Section 4.1(b)(ii) shall be subject to the further approval of at least two of the Specified Preferred Holders, (e) any modification to Section 4.1(b)(iii) shall be subject to the further approval of at least one member of the MPM Group, (f) any modification to Section 4.2(a) shall be subject to the further approval of at least one member of the HCV Group, (g) any modification to Section 4.2(b) shall be subject to the further approval of Saints, (h) any modification to Section 4.2(c) shall be subject to the further approval of at least one member of the Brookside Group and (i) any modification to Section 4.2(d) shall be subject to the further approval of Wellcome. It is understood that this separate consent would not be required if any such adverse effect results from the application of criteria uniformly to all Stockholders even if such application may affect Stockholders differently.

SECTION 12. Counterparts. This Agreement may he executed in any number of counterparts, each such counterpart shall be deemed to he an original instrument and all such counterparts together shall constitute but one agreement.

SECTION 13. Headings. The headings of the various sections of this Agreement have been inserted for convenience of reference only, and shall not be deemed to be a part of this Agreement.

SECTION 14. Nouns and Pronouns. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of names and pronouns shall include the plural and vice-versa.

SECTION 15. Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 16. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts, excluding choice of law rules thereof.

SECTION 17. Additional Parties. Notwithstanding anything to the contrary contained herein, any Stockholder may become a party to this Agreement following the delivery to, and written acceptance by, the Corporation of an execute and Instrument of Adherence to this Agreement in the Form attached hereto as Annex C. No action or consent by Stockholder parties hereto shall be required for such joinder to this Agreement by such additional Stockholder, so long as such additional Stockholder has agreed in writing to be bound by all of the obligations as Stockholder party hereunder as indicated in the Instrument of Adherence and the Instrument of Adherence has been accepted in writing by the Corporation.

[remainder of page intentionally left blank]

(Signature Page to Stockholders' Agreement)

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the date first above written.

THE CORPORATION:

RADIUS HEALTH, INC.

By: _____
Name: C. Richard Edmund Lyttle
Title: President

As an anticipated successor and assign to the Corporation under Section 7.3 hereof:

MPM ACQUISITION CORP.

By: _____
Name: C. Richard Edmund Lyttle
Title: President

INVESTORS:

BB BIOTECH VENTURES II, L.P.
By:
Its:

By: _____
Name: Ben Morgan
Title: Director

BB BIOTECH GROWTH N.V.
By:
Its:

By: _____

Name: H. J. Van Neutegem
Title: Managing Director

HEALTHCARE VENTURES VII, LP,
By: HealthCare Partners VII, L.P.
Its General Partner

By: _____

Name: Jeffrey Steinberg
Title: Administrative Partner of HealthCare Partners VII, L.P.
The General Partner of HealthCare Ventures VII, L.P.

MPM BIOVENTURES III, L.P.

By: MPM BioVentures III GP, L.P.,
its General Partner
By: MPM BioVentures III LLC,
its General Partner

By: _____

Name: Ansbert Gadicke
Title: Series A Member

MPM BIOVENTURES III-QP, L.P.

By: MPM BioVentures III GP, L.P.,
its General Partner
By: MPM BioVentures III LLC,
its General Partner

By: _____

Name: Ansbert Gadicke
Title: Series A Member

MPM BIOVENTURES III GMBH & CO. BETEILIGUNGS KG

By: MPM BioVentures III GP, L.P.,
in its capacity as the Managing Limited Partner
By: MPM BioVentures III LLC,
its General Partner

By: _____

Name: Ansbert Gadicke
Title: Series A Member

MPM BIOVENTURES III PARALLEL FUND, L.P.

By: MPM BioVentures III GP, L.P.,
its General Partner
By: MPM BioVentures III LLC,
its General Partner

By: _____
Name: Ansbert Gadicke
Title: Series A Member

MPM ASSET MANAGEMENT INVESTORS 2003 BVIII LLC

By: _____
Name: Ansbert Gadicke
Title: Manager

MPM BIO IV NVS STRATEGIC FUND, L.P.

By: MPM BioVentures IV GP LLC,
its General Partner
By: MPM BioVentures IV LLC,
its Managing Member

By: _____
Name: Ansbert Gadicke
Title:

HEALTHCARE PRIVATE EQUITY LIMITED PARTNERSHIP
By: Waverley Healthcare Private Equity
Limited, its general partner

By: _____
Name: Andrew November
Title: Director

THE WELLCOME TRUST LIMITED, AS TRUSTEE OF THE WELLCOME TRUST

By: _____

Name: Peter Percisa Gray
Title: Managing Director

_____

Dr. Raymond F. Schinazi

OXFORD BIOSCIENCE PARTNERS IV L.P.
By: OBP Management IV L.P.

By: _____

Name: Jonathan Fleming
Title: General Partner

MRNA Fund II L.P.
By: OBP Management IV L.P.

By: _____

Name: Jonathan Fleming
Title: General Partner

SAINTS CAPITAL VI, L.P.,
a limited partnership

By: Saints Capital VI LLC,
a limited liability company

By: _____

Name: David P. Quinlivan
Title: Managing Member

BROOKSIDE CAPITAL PARTNERS FUND, L.P.

By: _____

Name: Michael L. Butler
Title: Associate General Counsel

The Breining Family Trust dated August 15, 2003

By: _____
Name: Clifford A. Breining
Title: Trustee

_____
Dr. Dennis A. Carson

The David E. Thompson Revocable Trust

By: _____
Name: David E. Thompson
Title: Trustee

Jonnie K. Westbrook Revocable Trust dated March 17, 2000

By: _____
Name:
Title:

_____
H. Watt Gregory III

Hostetler Family Trust UTD 3/18/92

By: _____
Name: Karl Y. Hostetler
Title: Trustee

The Richman Trust dated 2/6/83

By: _____
Name: Douglas D. Richman

Title: Co-Trustee

By: _____
Name: Eva A. Richman,
Title: Co-Trustee

Ruff Trust dated l-1-02

By: _____
Name: F. Bronson Van Wyck
Title: Trustee

EXPLANATORY NOTE

The following Plan of Distribution was not attached as Annex A to this Stockholders Agreement at the time this Stockholders Agreement was executed and it is not part of the executed agreement. The Plan of Distribution was subsequently distributed to the stockholders of the Company separate from the Stockholders Agreement and is being include here for informational purposes only.

Annex A

PLAN OF DISTRIBUTION

We are registering the shares offered by this prospectus on behalf of the selling stockholders. The selling stockholders, which as used herein includes donees, pledgees, transferees or other successors-in-interest selling shares of common stock or interests in shares of common stock received after the date of this prospectus from a selling stockholder as a gift, pledge, partnership distribution or other transfer, may, from time to time, sell, transfer or otherwise dispose of any or all of their shares of common stock or interests in shares of common stock on any stock exchange, market or trading facility on which the shares are traded or in private transactions. These dispositions may be at fixed prices, at prevailing market prices at the time of sale, at prices related to the prevailing market price, at varying prices determined at the time of sale, or at negotiated prices.

The selling stockholders may use any one or more of the following methods when disposing of shares or interests therein:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent, but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- short sales;

- through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;
- broker-dealers may agree with the selling stockholders to sell a specified number of such shares at a stipulated price per share;
- a combination of any such methods of sale; and
- any other method permitted pursuant to applicable law.

The selling stockholders may, from time to time, pledge or grant a security interest in some or all of the shares of common stock owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the shares of common stock, from time to time, under this prospectus, or under an amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act amending the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus. The selling stockholders also may transfer the shares of common stock in other circumstances, in which case the transferees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

In connection with the sale of our common stock or interests therein, the selling stockholders may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the common stock in the course of hedging the positions they assume. The selling stockholders may also sell shares of our common stock short and deliver these securities to close out their short positions, or loan or pledge the common stock to broker-dealers that in turn may sell these securities. The selling stockholders may also enter into option or other transactions with broker-dealers or other financial institutions or the creation of one or more derivative securities which require the delivery to such broker-dealer or other financial institution of shares offered by this prospectus, which shares such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction).

The aggregate proceeds to the selling stockholders from the sale of the common stock offered by them will be the purchase price of the common stock less discounts or commissions, if any. Each of the selling stockholders reserves the right to accept and, together with their agents from time to time, to reject, in whole or in part, any proposed purchase of common stock to be made directly or through agents. We will not receive any of the proceeds from this offering. Upon any exercise of the warrants by payment of cash, however, we will receive the exercise price of the warrants.

The selling stockholders also may resell all or a portion of the shares in open market transactions in reliance upon Rule 144 under the Securities Act of 1933, provided that they meet the criteria and conform to the requirements of that rule.

The selling stockholders and any broker-dealers that act in connection with the sale of the shares offered hereby might be deemed to be “underwriters” within the meaning of Section 2(11) of the Securities Act, and any commissions received by such broker-dealers and any profit on the resale of the securities sold by them while acting as principals might be deemed to be underwriting discounts or commissions under the Securities Act.

To the extent required, the shares of our common stock to be sold, the names of the selling stockholders, the respective purchase prices and public offering prices, the names of any agents, dealer or underwriter, any applicable commissions or discounts with respect to a particular offer will be set forth in an accompanying prospectus supplement or, if appropriate, a post-effective amendment to the registration statement that includes this prospectus.

In order to comply with the securities laws of some states, if applicable, the common stock may be sold in these jurisdictions only through registered or licensed brokers or dealers. In addition, in some states the common stock may not be sold unless it has been registered or qualified for sale or an exemption from registration or qualification requirements is available and is complied with.

The anti-manipulation rules of Regulation M under the Exchange Act may apply to sales of shares in the market and to the activities of the selling stockholders and their affiliates. In addition, we will make copies of this prospectus (as it may be supplemented or amended from time to time) available to the selling stockholders for the purpose of satisfying the prospectus delivery requirements of the Securities Act. The selling stockholders may indemnify any broker-dealer that participates in transactions involving the sale of the shares against certain liabilities, including liabilities arising under the Securities Act.

We have agreed to indemnify the selling stockholders against liabilities, including liabilities under the Securities Act and state securities laws, relating to the registration of the shares offered by this prospectus.

We have agreed with the selling stockholders to keep the registration statement of which this prospectus constitutes a part effective until the earlier of (1) such time as all of the shares covered by this prospectus have been disposed of pursuant to and in accordance with the registration statement or (2) the date on which the shares may be sold pursuant to Rule 144 of the Securities Act.

EXPLANATORY NOTE

The following Questionnaire for Selling Stockholders was not attached as Annex B to this Stockholders Agreement at the time this Stockholders Agreement was executed and it is not part of the executed agreement. The Questionnaire for Selling Stockholders was subsequently distributed to the stockholders of the Company separate from the Stockholders Agreement and is being include here for informational purposes only.

Annex B

Radius Health, Inc.

Questionnaire for Selling Stockholders

All questions should be answered as of the date you sign this Questionnaire, unless otherwise specified. Please return the completed Questionnaire by fax or other electronic transmission (with the originally signed copy to follow by mail) to:

Kathryn Ostman, Esq.
Bingham McCutchen LLP
One Federal Street
Boston, MA 02110
617-951-8637

With a copy to:

Nicholas Harvey
Chief Financial Officer
Radius Health, Inc.
201 Broadway, Sixth Floor
Cambridge, MA 02139

Please state the Selling Stockholder' s
name and mailing address:

Please answer the following questions:

(a) Within the past three years, have you held any position or office or (other than as a securityholder) had any relationship with the Company or affiliates(1)?

Yes ☐ No ☐

If yes, please describe.

(1) Please refer to the definition of affiliate in Appendix A hereto.

(b) Set forth below the number of shares of Common Stock of the Company owned beneficially(2) by you after the Merger (the "Shares"). For each holding, please state under the column entitled "Statements Concerning Beneficial Ownership" (a) the name in which the securities are held, (b) if issuable upon conversion of preferred stock held, indicate the type and number of preferred shares held, (c) if issuable upon exercise of common or preferred share purchase warrants, indicate the type of warrant and exercise price, (d) the number of securities with respect to which you have sole voting power,(3) (e) the number of securities with respect to which you have shared voting power,(4) (f) the amount and/or number of securities with respect to which you have sole investment power,(5) (g) the amount and/or number of securities with respect to which you have shared investment power,(6) and (h) the amount and/or number of securities with respect to which you have the right to acquire beneficial(7) ownership by **AUGUST 22, 2011.**

Shares Beneficially Owned	Number of Shares	Statements Concerning Beneficial Ownership

(c) Number of Shares to be Offered Pursuant to the Registration Statement:

ALL If less than ALL, number of Shares to be Offered:

(d) Attached as Appendix B hereto is a draft of the "Plan of Distribution" section of the Registration Statement. Do you propose to offer or sell any securities of the Company by means other than those described in Appendix B?

Yes ☐ No ☐

If yes, please describe.

(2) Please refer to the definition of affiliate in Appendix A hereto.
(3) Please refer to the discussion on voting power in the definition of beneficial ownership in Appendix A.
(4) Please refer to the discussion on voting power in the definition of beneficial ownership in Appendix A.
(5) Please refer to the discussion on investment power in the definition of beneficial ownership in Appendix A.
(6) Please refer to the discussion on investment power in the definition of beneficial ownership in Appendix A.
(7) Please refer to the definition of affiliate in Appendix A hereto.

(e) Do you currently have specific plans to offer any securities of the Company through the selling efforts of brokers or dealers?

Yes ☐ No ☐

If yes, briefly describe the terms of any agreement, arrangement or understanding, entered into or proposed to be entered into with any broker or dealer, including any discounts or commissions to be paid to dealers.

(f) Are any of the securities of the Company to be offered otherwise than for cash?

Yes ☐ No ☐

If yes, please describe.

(g) Are any finders to be involved in the offering or sale of any of the securities of the Company?

Yes ☐ No ☐

If yes, please describe.

The undersigned hereby represents that all the information supplied herein is true, correct and complete as of the date hereof. The undersigned understands that the foregoing information will be use in connection with a proposed filing of a Registration Statement, and that the answers to the questions submitted will be relied on by the Company and its officers and directors in preparing the Registration Statement. ***The undersigned agrees to notify Radius Health, Inc. immediately of any material change in the forgoing answers.*** In connection with his, her or its purchase of securities, the

Dated:

_____

(Name of Holder)

By: _____

Name:

Title:

APPENDIX A

DEFINITIONS

(1) **Affiliate** of a specified person (as defined below), means a person who directly or indirectly through one or more intermediaries, controls (as defined below), or is controlled by, or is under common control with, the person specified.

(2) **Beneficial**, or **beneficially**, as applied to the ownership of securities, has been defined by the Securities and Exchange Commission to mean the following:

A beneficial owner of a security includes any person (as defined below) who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares "voting power" and/or "investment power". Voting power includes the power to vote, or to direct the voting of, such security; investment power includes the power to dispose, or to direct the disposition, of such security.

Note that more than one person may have a beneficial interest in the same securities; one may have voting power and the other may have investment power.

Even if a person, directly or indirectly, creates or uses a trust, proxy, power of attorney, pooling arrangement or any other contract, arrangement or device with the purpose or effect of divesting such person of beneficial ownership of a security or preventing the vesting of such beneficial ownership to avoid the reporting requirements of section 13(d) of the Securities Exchange Act, he will still be deemed to be the beneficial owner of such security.

A person is deemed to be the beneficial owner of a security if that person has the right to acquire beneficial ownership of such security at any time within 60 days, including but not limited to any right to acquire: (i) through the exercise of any option,

warrant or right; (ii) through the conversion of a security; (iii) pursuant to the power to revoke a trust, discretionary account, or similar arrangement; or (iv) pursuant to the automatic termination of a trust, discretionary account or similar arrangement.

A member of a national securities exchange is not deemed to be a beneficial owner of securities held directly or indirectly by it on behalf of another person solely because such member is the record holder of such securities and, pursuant to the rules of such exchange, may direct the vote of such securities, without instruction, on other than contested matters or matters that may affect substantially the rights or privileges of the holders of the securities to be voted, but is otherwise precluded by the rules of such exchange from voting without instruction.

A person who in the ordinary course of business is a pledgee of securities pursuant to a bona fide pledge agreement will not be deemed to be the beneficial owner of such pledged securities merely because there has been a default under such an agreement, except during such time as the event of default shall remain uncured for more than 30 days or at any time before a default is cured if the power acquired by the pledgee pursuant to the default enables him to change or influence control of the issuer.

A person may also be regarded as the beneficial owner of securities held in the name of his spouse, his minor children or other relatives of his or her spouse sharing his home, or held in a trust of which he is a beneficiary or trustee, if the relationships are such that he has voting power and/or investment power with respect to such securities.

If you have any reason to believe that any interest you have, however remote, might be described as a beneficial interest, describe such interest.

(3) **Control** means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise.

(4) **Person** includes two or more persons acting as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding, or disposing of securities of an issuer.

APPENDIX B

PLAN OF DISTRIBUTION

We are registering the shares offered by this prospectus on behalf of the selling stockholders. The selling stockholders, which as used herein includes donees, pledgees, transferees or other successors-in-interest selling shares of common stock or interests in shares of common stock received after the date of this prospectus from a selling stockholder as a gift, pledge, partnership distribution or other transfer, may, from time to time, sell, transfer or otherwise dispose of any or all of their shares of common stock or interests in shares of common stock on any stock exchange, market or trading facility on which the shares are traded or in private transactions. These dispositions may be at fixed prices, at prevailing market prices at the time of sale, at prices related to the prevailing market price, at varying prices determined at the time of sale, or at negotiated prices.

The selling stockholders may use any one or more of the following methods when disposing of shares or interests therein:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent, but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;

- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- short sales;
- through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;
- broker-dealers may agree with the selling stockholders to sell a specified number of such shares at a stipulated price per share;
- a combination of any such methods of sale; and
- any other method permitted pursuant to applicable law.

The selling stockholders may, from time to time, pledge or grant a security interest in some or all of the shares of common stock owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the shares of common stock, from time to time, under this prospectus, or under an amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act amending the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus. The selling stockholders also may transfer the shares of common stock in other circumstances, in which case the transferees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

In connection with the sale of our common stock or interests therein, the selling stockholders may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the common stock in the course of hedging the positions they assume. The selling stockholders may also sell shares of our common stock short and deliver these securities to close out their short positions, or loan or pledge the common stock to broker-dealers that in turn may sell these securities. The selling stockholders may also enter into option or other transactions with broker-dealers or other financial institutions or the creation of one or more

---

derivative securities which require the delivery to such broker-dealer or other financial institution of shares offered by this prospectus, which shares such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction).

The aggregate proceeds to the selling stockholders from the sale of the common stock offered by them will be the purchase price of the common stock less discounts or commissions, if any. Each of the selling stockholders reserves the right to accept and, together with their agents from time to time, to reject, in whole or in part, any proposed purchase of common stock to be made directly or through agents. We will not receive any of the proceeds from this offering. Upon any exercise of the warrants by payment of cash, however, we will receive the exercise price of the warrants.

The selling stockholders also may resell all or a portion of the shares in open market transactions in reliance upon Rule 144 under the Securities Act of 1933, provided that they meet the criteria and conform to the requirements of that rule.

The selling stockholders and any broker-dealers that act in connection with the sale of the shares offered hereby might be deemed to be “underwriters” within the meaning of Section 2(11) of the Securities Act, and any commissions received by such broker-dealers and any profit on the resale of the securities sold by them while acting as principals might be deemed to be underwriting discounts or commissions under the Securities Act.

To the extent required, the shares of our common stock to be sold, the names of the selling stockholders, the respective purchase prices and public offering prices, the names of any agents, dealer or underwriter, any applicable commissions or discounts with respect to a particular offer will be set forth in an accompanying prospectus supplement or, if appropriate, a post-effective amendment to the registration statement that includes this prospectus.

In order to comply with the securities laws of some states, if applicable, the common stock may be sold in these jurisdictions only through registered or licensed brokers or dealers. In addition, in some states the common stock may not be sold unless it has been registered or qualified for sale or an exemption from registration or qualification requirements is available and is complied with.

The anti-manipulation rules of Regulation M under the Exchange Act may apply to sales of shares in the market and to the activities of the selling stockholders and their affiliates. In addition, we will make copies of this prospectus (as it may be supplemented or amended from time to time) available to the selling stockholders for the purpose of satisfying the prospectus delivery requirements of the Securities Act. The selling stockholders may indemnify any broker-dealer that participates in transactions involving the sale of the shares against certain liabilities, including liabilities arising under the Securities Act.

We have agreed to indemnify the selling stockholders against liabilities, including liabilities under the Securities Act and state securities laws, relating to the registration of the shares offered by this prospectus.

We have agreed with the selling stockholders to keep the registration statement of which this prospectus constitutes a part effective until the earlier of (1) such time as all of the shares covered by this prospectus have been disposed of pursuant to and in accordance with the registration statement or (2) the date on which the shares may be sold pursuant to Rule 144 of the Securities Act.

Annex C

Instrument of Adherence
to
Amended and Restated
Stockholders' Agreement
dated , 2011

Reference is hereby made to that certain THIS AMENDED AND RESTATED STOCKHOLDERS' AGREEMENT (the "Agreement"), dated the day of , 2011, entered into by and among (i) Radius Health, Inc., a Delaware corporation (the "Corporation") and the Stockholder parties thereto. Capitalized terms used herein without definition shall have the respective meanings ascribed thereto in the Agreement.

The undersigned (the "New Stockholder Party"), in order to become the owner or holder of shares of and all other shares of the Corporation' s capital stock hereinafter acquired, of the Company (the "Acquired Shares"), hereby agrees that, from and after the date hereof, the undersigned has become a party to the Agreement in the capacity of a party to the Agreement, and is entitled to all of the benefits under, and is subject to all of the obligations, restrictions and limitations set forth in, the Agreement that are applicable to such Stockholder parties and shall be deemed to have made all of the representations and warranties made by such Stockholder parties thereunder. This Instrument of Adherence shall take effect and shall become a part of the Agreement on the latest date of execution by both the New Stockholder Party and the Corporation.

Executed under seal as of the date set forth below under the laws of the Commonwealth of Massachusetts.

Print Name: _____

Signature: _____

Name:
Title:

Accepted:
RADIUS HEALTH, INC.

By: _____
Name:
Title:

Date: _____

Exhibit F

Executed Agreement and Plan of Merger

Filed as Exhibit 10.1 to the Form 8-K/A filed on September 30, 2011

Disclosure Schedules

RADIUS HEALTH, INC.

Disclosure Schedule ("Schedule") to the Series A-1 Convertible Preferred Stock Purchase Agreement, dated April 25, 2011 (the "Purchase Agreement")

The following Schedule is delivered by Radius Health, Inc., a Delaware corporation (the "Corporation") in connection with the Stage I Closing under the Purchase Agreement. This Schedule sets forth exceptions to the representations and warranties of the Corporation to be given at the Stage I Closing (which exceptions shall be deemed to be representations and warranties as if made under the Purchase Agreement). The information in this Schedule is provided as of the Stage I Closing Date.

The disclosure of any item or information in this Schedule shall not be construed as an admission that such item or information is material to the Corporation, and any inclusion in the Schedule shall expressly not be deemed to constitute an admission, or otherwise imply, that any such item or information is material or creates measures of materiality for the purposes of the Purchase Agreement. Nothing in this Schedule constitutes an admission of any liability or obligation of the Corporation to any third party, nor an admission to any third party against the Corporation' s interests.

With respect to any matter that is clearly disclosed in any Section of this Schedule in such a way as to make its relevance to the information called for by another Section of this Schedule readily apparent, such matter shall be deemed to have been included in the Schedule in response to such other Section, notwithstanding the omission of any appropriate cross-reference thereto. The Section numbers referred to in this Schedule correspond to the Section numbers in the Purchase Agreement. Capitalized terms not otherwise defined in this Schedule shall have the meanings set forth in the Purchase Agreement.

Schedule 5.1

Organization

1. The Corporation is qualified to do business as a foreign corporation in the Commonwealth of Massachusetts.

Schedule 5.2

Capitalization

1. Capitalization of the Corporation Immediately Following the Stage I Closing:

RADIUS

	CAPITALIZATION AFTER 1ST SERIES A-1, A-5 and IPSEN CLOSING												
	Series A-1	Series A-2	Series A-3	Series A-4	Series A-5	Common	Series A-1 Warrants	Common Warrants	Common Options	Post Shares	% Shares Out	Post Fully Diluted Shares	% Fully Diluted
Preferred Holders													
MPM Bioventures III Funds	82,225	121,944	29,850			–				234,019	**1.46%**	234,019	**1.32%**
MPM Bioventures III-QP, L.P.	1,222,905	1,813,643	443,959			–				3,480,507	**21.69%**	3,480,507	**19.67%**
MPM Bioventures III GMBH & Co.	103,351	153,275	37,520			–				294,146	**1.83%**	294,146	**1.66%**
MPM Bioventures III Parallel Fund, L.P.	36,932	54,773	13,408			–				105,113	**0.66%**	105,113	**0.59%**
MPM Asset Management Investors 2003	23,681	35,114	8,595			–				67,390	**0.42%**	67,390	**0.38%**
MPM Bio IV NVS Strategic Fund	540,013	1,842,426	–			–				2,382,439	**14.85%**	2,382,439	**13.47%**
Wellcome Trust	255,223	2,103,250	–			–				2,358,473	**14.70%**	2,358,473	**13.33%**
HealthCare Ventures VII	196,512	982,789	636,632			83,113				1,899,046	**11.83%**	1,899,046	**10.73%**
Saints Capital (OBP IV Holdings)	162,133	1,086,285	249,830			15,173				1,513,421	**9.43%**	1,513,421	**8.56%**
Saints Capital (mRNA Fund II Holdings)	1,627	10,900	2,506			151				15,184	**0.09%**	15,184	**0.09%**
BB Biotech Ventures II	435,965	1,051,625	–			–				1,487,590	**9.27%**	1,487,590	**8.41%**
Scottish Widows	68,059	560,866	–			–				628,925	**3.92%**	628,925	**3.56%**
Raymond F. Schinazi	7,575	15,243	–	4,142		–				26,960	**0.17%**	26,960	**0.15%**
David E. Thompson Revocable Trust	1,964			16,190		–				18,154	**0.11%**	18,154	**0.10%**
Hostetler Family Trust	–			–		3,071				3,071	**0.02%**	3,071	**0.02%**
H.Watt Gregory, III	1,329			10,957		–				12,286	**0.08%**	12,286	**0.07%**
The Richman Trust	650			5,357		–				6,007	**0.04%**	6,007	**0.03%**
Breining Family Trust	407			3,357		–				3,764	**0.02%**	3,764	**0.02%**
Dr. Dennis A. Carson	–			–		533				533	**0.00%**	533	**0.00%**
B Van Wyck	–			–		363				363	**0.00%**	363	**0.00%**

Jonnie K. Westbrook	–	–	363			363	**0.00%**	363	**0.00%**
Nordic Bioscience		64,430				64,430	**0.40%**	64,430	**0.36%**
Brookside	409,400					409,400	**2.55%**	409,400	**2.31%**
BB Biotech AG	409,400					409,400	**2.55%**	409,400	**2.31%**
Ipsen	173,263					173,263	**1.08%**	173,263	**0.98%**
Leerink				8,188		–	**0.00%**	8,188	**0.05%**

RADIUS

	CAPITALIZATION AFTER 1ST SERIES A-1, A-5 and IPSEN CLOSING										%	Post	%
	Series A-1	Series A-2	Series A-3	Series A-4	Series A-5	Common	Series A-1 Warrants	Common Warrants	Common Options	Post Shares	Shares Out	Fully Diluted Shares	Fully Diluted
Common Holders													
Alan Auerbach									256,666	–	**0.00%**	256,666	**1.45%**
Stavros C. Manolagas						91,040			–	91,040	**0.57%**	91,040	**0.51%**
Michael Rosenblatt						46,664			41,168	46,664	**0.29%**	87,832	**0.50%**
John Thomas Potts Trust						20,291			–	20,291	**0.13%**	20,291	**0.11%**
John Thomas Potts, Jr.						4,496			47,245	4,496	**0.03%**	51,741	**0.29%**
John Katzenellenbogen Trust						40,438			–	40,438	**0.25%**	40,438	**0.23%**
John Katzenellenbogen						8,961			6,666	8,961	**0.06%**	15,627	**0.09%**
Bart Henderson						30,468			–	30,468	**0.19%**	30,468	**0.17%**
Board of Trustees of the Uni of Arkansas						17,333			–	17,333	**0.11%**	17,333	**0.10%**
Sillicon Valley Bank						–		266	–	–	**0.00%**	266	**0.00%**
Ben Lane						8,125			–	8,125	**0.05%**	8,125	**0.05%**
Ruff Trust						5,124			–	5,124	**0.03%**	5,124	**0.03%**
H2 Enterprises, LLC						5,124			–	5,124	**0.03%**	5,124	**0.03%**
Dr. Karl Y. Hostetler						5,124			–	5,124	**0.03%**	5,124	**0.03%**
Czerepak, Elizabeth						–			11,666	–	**0.00%**	11,666	**0.07%**
Stavroula Kousteni, Ph.D.						421			–	421	**0.00%**	421	**0.00%**
Robert L. Jilka, Ph.D.						572			–	572	**0.00%**	572	**0.00%**
Robert S. Weinstein, M.D.						421			–	421	**0.00%**	421	**0.00%**
Teresita M. Bellido, Ph.D.						234			–	234	**0.00%**	234	**0.00%**
Chris Glass						–			1,333	–	**0.00%**	1,333	**0.01%**
Dotty McIntyre, RA						891			–	891	**0.01%**	891	**0.01%**
Thomas E. Sparks, Jr.						883			–	883	**0.01%**	883	**0.00%**
Sam Ho						833			–	833	**0.01%**	833	**0.00%**
Charles O' Brien, Ph.D.						140			–	140	**0.00%**	140	**0.00%**
Alwyn Michael Parfitt, M.D.						280			–	280	**0.00%**	280	**0.00%**
Barry Pitzele						266			–	266	**0.00%**	266	**0.00%**
Benita S. Katzenellenbogen, Ph.D.						187			–	187	**0.00%**	187	**0.00%**
Kelly Colbourn						102			–	102	**0.00%**	102	**0.00%**
Julie Glowacki, Ph.D.						93			–	93	**0.00%**	93	**0.00%**
Socrates E. Papapoulos, M.D.						93			–	93	**0.00%**	93	**0.00%**
Tonya D. Smith						66			–	66	**0.00%**	66	**0.00%**
Kent Westbrook, M.D.						46			–	46	**0.00%**	46	**0.00%**

Edie Estabrook						–			4,266	–	**0.00%**	4,266	**0.02%**
Maysoun Shomali						2,383			–	2,383	**0.01%**	2,383	**0.01%**
Lumpkins, Mary						–			400	–	**0.00%**	400	**0.00%**
Guerriero, Jonathan						2,500			12,166	2,500	**0.02%**	14,666	**0.08%**
Grunwald, Maria						–			14,666	–	**0.00%**	14,666	**0.08%**
McCarthy, Daniel F.						–			3,200	–	**0.00%**	3,200	**0.02%**
Sullivan, Kelly						–			1,666	–	**0.00%**	1,666	**0.01%**
Welch, Kathy						–			6,400	–	**0.00%**	6,400	**0.04%**
Richard Lyttle						66,666			489,227	66,666	**0.42%**	555,893	**3.14%**
Louis O' Dea						29,207			165,355	29,207	**0.18%**	194,562	**1.10%**
Nick Harvey						30,000			143,716	30,000	**0.19%**	173,716	**0.98%**
Gary Hattersley						–			83,384	–	**0.00%**	83,384	**0.47%**
Chris Miller						33,355			30,498	33,355	**0.21%**	63,853	**0.36%**
ESOP Remaining						–			315,172	–	**0.00%**	315,172	**1.78%**
Additions to Option Plan									–	–	**0.00%**	–	**0.00%**
Total	4,132,614	9,832,133	1,422,300	40,003	64,430	555,594	8,188	266	1,634,860	16,047,074	**100.00%**	17,690,388	**100.00%**
									Per Share	$ 8.1420		$ 8.1420	
									Post-money	$ 130,655,277		$ 144,035,139	

2. In connection with that certain Loan and Security Agreement, dated as of August 6, 2004, by and between the Corporation and Silicon Valley Bank ("SVB"), as amended, the Corporation issued to SVB a warrant exercisable for the purchase of an aggregate of up to 20,000 shares of Series A Junior Convertible Preferred Stock at $1.00 per share (as amended, the "SVB Warrant"). The warrant, which expires in August 2014, will be amended and restated as of the Stage I Closing Date to purchase shares of the Corporation' s common stock. The warrant was 100% vested as of the grant date.

3. Series A Convertible Redeemable Preferred Stock Purchase Agreement, dated November 14, 2003, by and among the Corporation and the stockholders listed on the schedules thereto.

4. Series B Convertible Redeemable Preferred Stock Purchase Agreement, dated November 14, 2003, by and among the Corporation and the stockholders listed on the schedules thereto.

5. Series C Convertible Redeemable Preferred Stock Purchase Agreement, dated December 15, 2006, by and among the Corporation and the Investors referenced therein, as amended by Amendment No. 1 thereto, dated February 12, 2007, Amendment No. 2 thereto, dated February 22, 2007, Amendment No. 3 thereto, dated August 17, 2007, and Amendment No. 4 thereto, dated November 14, 2008.

6. Fourth Amended and Restated Certificate of Incorporation of the Corporation filed with the Secretary of State of the State of Delaware on May 17, 2011.

7. Growth Capital Loan Proposal Letter by and among the Corporation, GE Healthcare Financial Services, Inc., and Oxford Finance Corporation, dated December 21, 2010. The proposed loan documents would include an obligation of the Corporation to issue a warrant to purchase Series A-1 Convertible Preferred Stock for 4% of the principal as drawn, equaling $1,000,000 (4% of $25 million).

8. In connection with that certain Letter Agreement by and between the Corporation and Leerink Swann LLC ("Leerink"), dated September 24, 2010, the Corporation is obligated to issue a warrant to purchase Series A-1 Convertible Preferred Stock of the Corporation (the "Leerink Warrant").

9. Stock Issuance Agreement by and between the Corporation and Nordic Bioscience Clinical Development VII A/S ("Nordic"), dated March 29, 2011.

10. In connection with that certain License Agreement, dated September 27, 2005, by and between SCRAS S.A.S., a French corporation, with its principal office at 42, Rue du Docteur Blanche, 75016 Paris, France, on behalf of itself and its Affiliates (collectively, "Ipsen"), and the Corporation, as amended on September 12, 2007, and assigned by SCRAS S.A.S. to successor Ipsen Pharma SAS on January 1, 2009 (the "Ipsen License Agreement"), the Corporation is currently in discussions with Ipsen to make its payment milestones to Ipsen pursuant to the Ipsen License Agreement with shares of Series A-1 Preferred Stock at $8.142 per share.

11. 2007 Amended and Restated Management and Employee Bonus Plan approved at a meeting of the Board of Directors of the Corporation held on October 1, 2009 and approved by the Stockholders by written consent on November 11, 2009, which shall be terminated by written agreement of the participants effective upon the Closing.

Schedule 5.6(a)

Business of the Corporation

None.

Schedule 5.6

Business of the Corporation

A. Loan Agreements

1. Growth Capital Loan Proposal Letter by and among the Corporation, GE Healthcare Financial Services, Inc., and Oxford Finance Corporation, dated December 21, 2010.

2. Demand Promissory Note issued by MPM Acquisition Corp. to the Corporation, dated November 22, 2010.

B. License Agreements

1. Ipsen License Agreement.

2. Pharmaceutical Development Agreement by and between the Corporation and Ipsen, dated January 2, 2006, as amended by Amendment No. 1, dated January 1, 2007, Amendment No. 2, dated January 1, 2009, and Amendment No. 3, dated June 16, 2010.

3. License Agreement, dated June 29, 2006, by and between Eisai Co. and the Corporation.

C. Research, Development and/or Service Agreements

1. Development and Clinical Supplies Agreement by and between the Corporation, 3M Company and 3M Innovative Properties (3M Company and 3M Innovative Properties, collectively, "3M"), dated June 19, 2009, as amended on each of

May 5, 2009, December 31, 2009, March 3, 2010, September 16, 2010, September 29, 2010, February 4, 2011, and March 2, 2011.

2. Letter of Payment Authorization for Study No. 670364 by and between the Corporation and Charles River Laboratories ("CRL"), dated November 20, 2010.

3. Letter of Payment Authorization for Dawley Rat - Rat Bone Quality Study by and between the Corporation and CRL, dated February 7, 2011.

4. Work Order No. 2 by and between the Corporation and LONZA Sales Ltd. ("Lonza"), dated January 15, 2010, as amended April 27, 2010, and as further amended December 15, 2010.

5. Letter Agreement by and between the Corporation and Leerink , dated February 4, 2010.

6. Letter Agreement by and between the Corporation and Leerink, dated September 24, 2010.

7. Stock Issuance Agreement by and between the Corporation and Nordic, dated March 29, 2011.

8. Amendment Letter by and between the Corporation and Nordic, dated February 1, 2011.

9. Clinical Trial Services Agreement and Work Statement NB-1 by and between the Corporation and Nordic, dated March 29, 2011.

10. Side Letter by and between the Corporation and Nordic, dated March 29, 2011.

11. Engagement Letter by and between the Corporation and Ernst & Young LLP, dated October 5, 2010.

12. Master Clinical Services Agreement by and between the Corporation and Celerion, Inc., dated November 2, 2010, as amended by Work Order No. 1, dated November 3, 2010.

13. Change Order No. 2 to Statement of Work by and between the Corporation and INC Research, Inc., dated September 3, 2010.

14. Letter of Payment Authorization for Chronic Dermal Toxicity Study by and between the Corporation and CRL, dated April 29, 2011.

D. Real Property

1. Sublease by and between the Corporation and Sonos, Inc., dated January 14, 2011, for the property located at 201 Broadway, Cambridge, Massachusetts.

E. ERISA

1. Radius Health, Inc. 401(k) Plan

2. Radius Health, Inc. Flexible Spending Account Plan

F. Indemnification Agreements

1. Please see Schedule 5.6(g).

2. Please see general commercial agreement indemnification provisions included in the material license agreements listed above.

G. Other Agreements

1. Pursuant to an engagement with Leerink Swann LLC ("Leerink") for services in connection with the Series A-1 Financing, the Corporation has agreed to issue to Leerink a Warrant to purchase 24,564 shares of Series A-1 Convertible Preferred Stock at the Stage I Closing.

2. Amended and Restated Stockholders' Agreement, dated as of December 15, 2006, by and between the Corporation, the Investors, the Original Stockholders, the Series A Stockholders and the Series B Stockholders (each as defined therein), as amended by Amendment No. 1 thereto, dated as of February 22, 2007, Amendment No. 2 thereto, dated as of August 17, 2007, and Amendment No. 3 thereto, dated as of October , 2008.

3. The Corporation has granted Alan Auerbach registration rights with respect to shares issuable upon exercise of granted options.

4. The Corporation has granted registration rights to SVB pursuant to the terms of the SVB Warrant.

5. The Corporation has granted board observation rights to BB Biotech Ventures II, L.P. pursuant to a Letter Agreement dated as of February 22, 2007, by and between the Corporation and BB Biotech Ventures II, L.P.

H. Stock Option Plans

1. 2003 Long Term Incentive Plan

2. 2007 Management and Employee Bonus Plan approved at a meeting of the Board of Directors of the Corporation held on December 6, 2007 and approved by the Stockholders by written consent on February 14, 2008, which shall be terminated by written agreement of the participants effective upon the Closing.

I. Stock Option Agreements

The Corporation has entered into Stock Option Agreements with the following individuals:

Option Number	Name	# Options	Grant Date	Options Canceled	Options Outstanding
04-051	Ho, Sam	10,000	5/4/2004		–
03-002	Lane, Ben	325,000	12/16/2003	203,125	–
03-003	Henderson, Bart	650,000	12/16/2003	192,969	–
03-001	Hattersley, Gary	162,500	12/16/2003		162,500
04-003	O' Brien, Charles	8,000	2/5/2004		8,000
04-005	Kousteni, Stavroula	30,000	2/5/2004		30,000

03-005	Manolagas, Stavros	1,108,812	11/14/2003		–
03-008	Rosenblatt, Michael	370,241	11/14/2003		–
03-007	Potts, John Thomas	304,374	11/14/2003		–
03-006	Katsenellenbogen, John	606,573	11/14/2003		–
03-004	Pitzele, Barnett	5,000	12/16/2003	1,000	–
04-001	Bellido, Teresita	17,000	2/4/2004		17,000
04-002	Jilka, Robert	28,000	2/4/2004		25,725
04-004	Weinstien, Robert	17,000	2/4/2004		17,000
04-072	Glass, Chris	10,000	8/12/2004		10,000
04-052	Estabrook, Edith	24,000	5/4/2004		24,000
04-071	Colbourn, Kelly	1,000	8/12/2004		–
04-103	Lyttle, Richard	1,625,000	10/28/2004		1,625,000
04-101	Guy, Keisha	8,000	10/28/2004	8,000	–
04-102	McIntyre, Dotty	8,000	10/28/2004	2,000	–
04-100	Shomali, Maysoun	15,000	12/28/2004	15,000	–
05-01	Glass, Chris	10,000	12/6/2005		10,000
06-02	Hattersley, Gary	81,250	2/15/2006		81,250
06-04	Guy, Keisha	8,000	2/15/2006	8,000	–
06-05	McIntyre, Dotty	8,000	2/15/2006	4,000	–
06-06	Shomali, Maysoun	15,000	2/15/2006	15,000	–
06-01	Ho, Sam	10,000	2/15/2006	7,500	–
06-03	Colbourn, Kelly	3,000	2/15/2006	2,469	–
06-07	O' Dea, Louis	570,000	2/15/2006		339,625
07-01	McIntyre, Dotty	27,000	7/12/2007	23,625	–
07-08	Lyttle, Richard	2,377,688	7/12/2007		2,377,688
07-07	O' Dea, Louis	830,941	7/12/2007		623,206
07-09	Harvey, B. Nicholas	1,250,840	7/12/2007		1,250,840
07-06	Hattersley, Gary	356,653	7/12/2007		356,653
07-10	Miller, Chris	500,336	7/12/2007		–
07-11	Katsenellenbogen, John	100,000	7/12/2007		100,000
07-12	Potts, John Thomas	540,790	7/12/2007		540,790
07-13	Rosenblatt, Michael	660,491	7/12/2007		412,805
07-02	Shomali, Maysoun	44,000	7/12/2007	8,250	–
07-03	Estabrook, Edith	16,000	7/12/2007		16,000
07-05	Lumpkins, Mary	3,000	7/12/2007		3,000

07-04	Guerriero, Jonathan	100,000	7/12/2007		62,500
07-14	Grunwald, Maria	137,500	12/6/2007		137,500
07-15	Herendeen, Hillary	8,000	12/6/2007	8,000	–
07-16	Downall, Julie	8,000	12/6/2007	8,000	–
08-01	Welch, Kathy	60,000	2/7/2008		60,000
08-09	Lyttle, Richard	3,040,081	5/8/2008		3,040,081
08-05	O' Dea, Louis	1,064,028	5/8/2008		1,064,028
08-06	Harvey, B. Nicholas	950,025	5/8/2008		950,025
08-08	Hattersley, Gary	456,012	5/8/2008		456,012
08-07	Miller, Chris	380,010	5/8/2008	23,751	356,259
08-02	McCarthy, Daniel F.	30,000	5/8/2008		30,000
08-03	Zielstorff, Mark	10,000	5/8/2008	10,000	–

08-04	Gallacher, Kyla	10,000	5/8/2008	10,000	–
08-14	Lyttle, Richard	1,295,640	12/3/2008		1,295,640
08-10	O' Dea, Louis	453,474	12/3/2008		453,474
08-11	Harvey, B. Nicholas	404,888	12/3/2008		404,888
08-13	Hattersley, Gary	194,346	12/3/2008		194,346
08-12	Miller, Chris	161,955	12/3/2008	60,734	101,221
08-26	Potts, John Thomas	167,891	12/3/2008		167,891
08-25	Rosenblatt, Michael	204,715	12/3/2008		204,715
08-16	Grunwald, Maria	82,500	12/3/2008		82,500
08-15	Guerriero, Jonathan	120,000	12/3/2008		120,000
08-17	Shomali, Maysoun	50,000	12/3/2008	50,000	–
08-18	Welch, Kathy	36,000	12/3/2008		36,000
08-19	Estabrook, Edie	24,000	12/3/2008		24,000
08-20	McCarthy, Daniel F.	18,000	12/3/2008		18,000
08-21	Gallacher, Kyla	6,000	12/3/2008	6,000	–
08-22	Zielstorff, Mark	6,000	12/3/2008	6,000	–
08-23	Downall, Julie	4,800	12/3/2008	4,800	–
08-24	Lumpkins, Mary	3,000	12/3/2008		3,000
09-01	Sullivan, Kelly	25,000	4/9/2009		25,000
09-02	McKay, Kathleen	45,000	4/9/2009	45,000	–
09-03	Czerepak, Elizabeth	75,000	4/9/2009		75,000
09-04	Czerepak, Elizabeth	75,000	12/2/2009		75,000
10-01	Auerbach, Alan	2,084,602	10/12/2010		2,084,602
10-02	Auerbach, Alan	1,765,398	10/12/2010		1,765,398
10-03	Czerepak, Elizabeth	25,000	11/30/2010		25,000

Option Number	Name	# Options	Grant Date	Options Canceled	Options Outstanding
04-051	Ho, Sam	10,000	5/4/2004		–
03-002	Lane, Ben	325,000	12/16/2003	203,125	–
03-003	Henderson, Bart	650,000	12/16/2003	192,969	–
03-001	Hattersley, Gary	162,500	12/16/2003		162,500
03-005	Manolagas, Stavros	1,108,812	11/14/2003		–
03-008	Rosenblatt, Michael	370,241	11/14/2003		–
03-007	Potts, John Thomas	304,374	11/14/2003		–
03-006	Katsenellenbogen, John	606,573	11/14/2003		–
03-004	Pitzele, Barnett	5,000	12/16/2003	1,000	–
04-072	Glass, Chris	10,000	8/12/2004		10,000
04-052	Estabrook, Edith	24,000	5/4/2004		24,000
04-071	Colbourn, Kelly	1,000	8/12/2004		–
04-103	Lyttle, Richard	1,625,000	10/28/2004		1,625,000
04-101	Guy, Keisha	8,000	10/28/2004	8,000	–
04-102	McIntyre, Dotty	8,000	10/28/2004	2,000	–
04-100	Shomali, Maysoun	15,000	12/28/2004	15,000	–
05-01	Glass, Chris	10,000	12/6/2005		10,000
06-02	Hattersley, Gary	81,250	2/15/2006		81,250
06-04	Guy, Keisha	8,000	2/15/2006	8,000	–
06-05	McIntyre, Dotty	8,000	2/15/2006	4,000	–

06-06	Shomali, Maysoun	15,000	2/15/2006	15,000	–
06-01	Ho, Sam	10,000	2/15/2006	7,500	–
06-03	Colbourn, Kelly	3,000	2/15/2006	2,469	–
06-07	O' Dea, Louis	570,000	2/15/2006		339,625
07-01	McIntyre, Dotty	27,000	7/12/2007	23,625	–
07-08	Lyttle, Richard	2,377,688	7/12/2007		2,377,688
07-07	O' Dea, Louis	830,941	7/12/2007		623,206
07-09	Harvey, B. Nicholas	1,250,840	7/12/2007		1,250,840
07-06	Hattersley, Gary	356,653	7/12/2007		356,653
07-11	Katsenellenbogen, John	100,000	7/12/2007		100,000
07-12	Potts, John Thomas	540,790	7/12/2007		540,790
07-13	Rosenblatt, Michael	660,491	7/12/2007		412,805
07-02	Shomali, Maysoun	44,000	7/12/2007	8,250	–
07-03	Estabrook, Edith	16,000	7/12/2007		16,000
07-05	Lumpkins, Mary	3,000	7/12/2007		3,000
07-04	Guerriero, Jonathan	100,000	7/12/2007		62,500
07-14	Grunwald, Maria	137,500	12/6/2007		137,500
07-15	Herendeen, Hillary	8,000	12/6/2007	8,000	–
07-16	Downall, Julie	8,000	12/6/2007	8,000	–
08-01	Welch, Kathy	60,000	2/7/2008		60,000
08-09	Lyttle, Richard	3,040,081	5/8/2008		3,040,081
08-05	O' Dea, Louis	1,064,028	5/8/2008		1,064,028
08-06	Harvey, B. Nicholas	950,025	5/8/2008		950,025
08-08	Hattersley, Gary	456,012	5/8/2008		456,012
08-02	McCarthy, Daniel F.	30,000	5/8/2008		30,000

08-03	Zielstorff, Mark	10,000	5/8/2008	10,000	–
08-04	Gallacher, Kyla	10,000	5/8/2008	10,000	–
08-14	Lyttle, Richard	1,295,640	12/3/2008		1,295,640
08-10	O' Dea, Louis	453,474	12/3/2008		453,474
08-11	Harvey, B. Nicholas	404,888	12/3/2008		404,888
08-13	Hattersley, Gary	194,346	12/3/2008		194,346
08-26	Potts, John Thomas	167,891	12/3/2008		167,891
08-25	Rosenblatt, Michael	204,715	12/3/2008		204,715
08-16	Grunwald, Maria	82,500	12/3/2008		82,500
08-15	Guerriero, Jonathan	120,000	12/3/2008		120,000
08-17	Shomali, Maysoun	50,000	12/3/2008	50,000	–
08-18	Welch, Kathy	36,000	12/3/2008		36,000
08-19	Estabrook, Edie	24,000	12/3/2008		24,000
08-20	McCarthy, Daniel F.	18,000	12/3/2008		18,000
08-21	Gallacher, Kyla	6,000	12/3/2008	6,000	–
08-22	Zielstorff, Mark	6,000	12/3/2008	6,000	–
08-23	Downall, Julie	4,800	12/3/2008	4,800	–
08-24	Lumpkins, Mary	3,000	12/3/2008		3,000
09-01	Sullivan, Kelly	25,000	4/9/2009		25,000
09-02	McKay, Kathleen	45,000	4/9/2009	45,000	–
09-03	Czerepak, Elizabeth	75,000	4/9/2009		75,000
09-04	Czerepak, Elizabeth	75,000	12/2/2009		75,000

10-01	Auerbach, Alan	2,084,602	10/12/2010	2,084,602
10-02	Auerbach, Alan	1,765,398	10/12/2010	1,765,398
10-03	Czerepak, Elizabeth	25,000	11/30/2010	25,000

J. Consulting Agreements

The Corporation has entered into consulting agreements with the following parties:

Party	Effective Date
1. Dr. John Bilezidian	9/14/2005
2. Dr. David Archer	10/24/2005
3. Beckloff Associates, Inc	6/18/2004
4. Terisita Bellido	6/24/2004
5. Dr. M. Shalender Bashin	1/3/2006
6. IntaPro LLC	3/22/2005
7. Access BIO, LC	7/8/2005
8. Dr. John C. Chabala	5/3/2004
9. SVC Associates, Inc	10/25/2005
10. Burton G Christensen	7/23/2004
11. Dr. Mitchell Creinin	10/17/2005
12. Frame and Spence Consulting LLP	7/21/2005
13. Dr. Christopher Glass	9/1/2004
14. Dr. Frances J. Hayes	4/21/2005
15. TLG Consulting Inc	7/1/2005
16. Robert A. Jassmond	4/18/2006
17. Robert Jilka	6/24/2004
18. Dr. John Katzenellenbogen	11/14/2003
19. Cathy Kerzner	11/18/2005
20. Stavroula Kousteni	6/24/2004
21. Richard Labaudiniere	1/1/2004
22. Robert Lindsay	07/26/2004
23. Willis Maddrey	07/23/2004
24. Dr. Stavros C. Manolagas	11/14/2003
25. Dr. Stavros C. Manolagas	12/14/2005
26. Musso and Associates LLC	06/24/2005
27. Musso and Associates LLC	03/08/2006
28. Robert M. Neer	11/22/2005
29. Anthony Norman	6/4/2004
30. Charles O' Brien	06/24/2004
31. Skokie Valley Consulting Agrmt	12/01/2003
32. PK Noonan & Associates LLC	07/08/2005
33. Dr. John Thomas Potts, Jr	11/14/2003
34. Dr. Cliff Rosen	07/22/2005
35. Dr. Michael Rosenblatt	11/14/2003
36. Joseph S. Simon	07/08/2005
37. Ian Smith	07/13/2004
38. Gilbert Stork	07/13/2004
39. KellySci Consulting Inc.	11/16/2007
40. Robert J. Szot	06/22/2005

41. Robert Weinstein	06/24/2004
42. ChanTest Inc	11/08/2005
43. Diamond BioPharm Ltd	10/26/2007
44. Diamond BioPharm Ltd	8/15/2007

45. Diamond BioPharm Ltd	8/15/2007
46. Team Consulting Ltd	8/18/2007
47. Joel Morganroth	10/23/2007
48. Joel Morganroth	10/10/2006
49. INTAPRO LLC	3/22/2005
50. Roy Swaringen	3/6/2008
51. Skokie Valley Consulting Corp.	12/1/2003
52. Target Health Inc.	4/14/2006
53. LGL Consulting LLC	4/28/2008
54. David Archer	3/26/2008
55. Osheroff Consulting Services LLC	8/15/2008
56. Dylan J. Callahan a.k.a. d/b/a Organized Minds	6/1/2008
57. PK Noonan & Associates LLC	9/15/2008
58. Matrix BioAnalytical Laboratories Inc	4/11/2008
59. Prof David Handelsman	2/9/2009
60. David Goltzman	3/4/2009
61. Professor Dennis Black	4/14/2009
62. Dr. Radha Iyengar	7/20/2009
63. Frame and Spence Consulting LLP	5/5/2009
64. Access Bio LC	8/20/2009
65. David Archer, MD	3/27/2009
66. Jean-Francois Sibi	11/2/2009
67. Diamond Biopharm Ltd	11/9/2009
68. Harry Genant, MD	12/12/2009
69. Radha Iyengar	1/19/2010
70. Safety Partners, Inc.	06/03/2004
71. Joel Morganroth	10/10/2006
72. Joel Morganroth	10/23/2007
73. Robert Schenken	07/24/2004
74. Kathleen Banks	11/13/2009
75. Goldmann Consulting LLC	7/5/2010
76. Duck Flats Pharma LLC	8/2/2010
77. Dennis Black	11/29/2010
78. Welsh Consulting	1/20/2011
79. Michael Gross	5/3/2011

K. Employment Agreements

1. Letter Agreement by and between the Corporation and C. Richard Edmund Lyttle, dated July 2, 2004.

2. Letter Agreement by and between the Corporation and B. Nicholas Harvey, dated November 15, 2006.

3. Letter Agreement by and between the Corporation and Louis St. Laurence O' Dea, dated January 30, 2006, as amended by Letter Agreement dated July 21, 2008.

4. Letter Agreement by and between the Corporation and Gary Hattersley, dated November 21, 2003, as amended by Letter Agreement dated July 21, 2008.

5. See also Attachment A to this Schedule 5.6 for the Form of Letter Agreement entered into by and between the Corporation and its at-will employees.

Attachment A to
Schedule 5.6

Form of Employee Letter Agreement

,2007

Dear :

It is my pleasure to offer you the position of at Radius Health, Inc. (the "Company"). As you know, I am excited about the contributions that I expect you will make to the success of the Company. Accordingly, if you accept this offer, I would like us to agree that you could start at Radius on or before (the "Start Date"). This offer may be accepted by you by countersigning where indicated at the end of this letter.

DUTIES AND EXTENT OF SERVICE

As , you will report to and you will have responsibility for performing those duties as are customary for, and are consistent with, such position, as well as those duties that may be designated to you from time to time. As you know, your employment will be contingent upon your agreeing to abide by the rules, regulations, instructions, personnel practices, and policies of the Company and any changes therein that the Company may adopt from time to time, and your execution of the Company' s standard Nondisclosure, Developments, and Non-Competition Agreement.

COMPENSATION AND BENEFITS

Your salary will be $ per semi-monthly pay period, minus applicable taxes and withholdings. Such salary may be adjusted from time to time in accordance with normal business practice and in the sole discretion of the Company.

You will be entitled to three weeks paid vacation annually. You will also be entitled to participate in such employee benefit plans and fringe benefits as may be offered or made available by the Company to its employees.

STOCK OPTIONS

At the first meeting of the Company' s Board of Directors following your Start Date, it is my intention that the Company will recommend to the Board of Directors that you receive a common stock option grant of shares. This offer is contingent upon approval by the Board of Directors of your option grant specifically. Promptly after the Grant Date, the Company and you will execute and deliver to each other the Company' s then standard form of stock option agreement, evidencing the Option and the terms thereof. As you know, the Option shall be subject to, and governed by, the terms and provisions of the Plan and your stock option agreement.

NONDISCLOSURE, DEVELOPMENTS AND NON-COMPETITION

As you know, prior to commencing, and as a condition to your employment with the Company, all employees are required to agree to sign a copy of the Company' s standard Nondisclosure, Developments, and Non-Competition Agreement. The Company will ask you to sign this agreement after you have signed and returned this letter and prior to or on your Start Date.

At-Will Employment

This letter shall not be construed as an agreement, either expressed or implied, to employ you for any stated term, and shall in no way alter the Company' s policy of employment at-will, under which both you and the Company remain free to terminate the employment relationship, with or without cause, at any time, with or without notice. Similarly, nothing in this letter shall be construed as an agreement, either express or implied, to pay you any compensation or grant you any benefit beyond the end of your employment with the Company. In addition, nothing in any documents published by the Company shall in any way modify the above terms and these terms cannot be modified in any way by any oral or written representations made by anyone employed by the Company, except by written document signed by C. Richard Lyttle.

NO CONFLICTING OBLIGATION AND OBLIGATIONS

You represent and warrant that the performance by you of any or all of the terms of this letter agreement and the performance by you of your duties as an employee of the Company do not and will not breach or contravene (i) any agreement or contract (including, without limitation, any employment or consulting agreement, any agreement not to compete or any confidentiality or nondisclosure agreement) to which you are or may become a party on or at an time after the Start Date or (ii) any obligation you may otherwise have under applicable law to any former employer or to any person to whom you have provided, provide or will provide consulting services.

I am pleased on behalf of Radius to extend this offer to have you join us. This is an exciting time for Radius and we would be delighted to have you as part of our organization.

Please acknowledge your acceptance of this offer and the terms of this letter agreement by signing below and returning a copy to me.

Sincerely,

I hereby acknowledge that I have had a full and adequate opportunity to read, understand and discuss the terms and conditions contained in this letter agreement prior to signing hereunder.

Date this day of , 20

Schedule 5.6(e)

Business of the Corporation

None.

Schedule 5.6(f)

Business of the Corporation

None.

Schedule 5.6(g)

Business of the Corporation

1. Indemnification Agreement, dated November 14, 2003, by and between the Corporation and Michael Rosenblatt, M.D.
2. Indemnification Agreement, dated November 14, 2003, by and between the Corporation and Christopher Mirabelli.
3. Indemnification Agreement, dated November 14, 2003, by and between the Corporation and Augustine Lawlor.
4. Indemnification Agreement, dated November 14, 2003, by and between the Corporation and Ansbert K. Gadicke.
5. Indemnification Agreement, dated November 14, 2003, by and between the Corporation and Edward Mascioli, M.D.
6. Indemnification Agreement, dated October 12, 2010, by and between the Corporation and Alan Auerbach.

Schedule 5.12(a)

Intellectual Property

1. The Corporation has filed for registration of its trademark rights in the following marks:
    - N (Design), Application No. 78/391,239, Filing Date: 26-Mar-2004
    - RADIUS, Application No. 78/707,397, Filing Date: 06-Sep-2005
    - RADIUS, Application No. 78/707,419, Filing Date: 06-Sep-2005
    - RADIUS (& Design), Application No. 78/797,031, Filing Date: 23-Jan-2006
    - RADIUS (& Design), Application No. 78/797,016), Filing Date: 23-Jan-2006
2. Domain name: www.radiuspharm.com
3. See also Attachment A to this Schedule 5.12(a).

Attachment A to

RADIUS PATENT AND PATENT APPLICATION SUMMARY

RAD-1901

A. Owned by Radius

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Title
3803.1016-000 (US)	61/127,025 (5/09/08)	Richard C. Lyttle, Gary Hattersley, Louis O' Dea	Expired	Pharmaceutical Combinations and Methods of Using Same
3803.1016-001 (PCT)	PCT/US2009/002885 (5/07/09)	Richard C. Lyttle, Gary Hattersley, Louis O' Dea	Pending	Pharmaceutical Combinations and Methods of Using Same
3803.1016-002 (US)	12/991,791 (5/7/09)	Richard C. Lyttle, Gary Hattersley, Louis O' Dea	Pending	Pharmaceutical Combinations and Methods of Using Same
3803.1022-000 (US)	61/334,095 (5/12/10)	Richard C. Lyttle, Gary Hattersley, Louis O' Dea	Pending (Provisional)	Therapeutic Regimens

B. Jointly Owned by Radius and Eisai

HBSR Docket No.	Application Number (Pub. Number-Date) and Filing Date	Inventors	Status	Title
3803.1001-000 (US)	60/816,191 (6/23/06)	Richard C. Lyttle, Bart Henderson, Gary Hattersley	U.S. Provisional; (Expired 06/23/07)	Treatment of Vasomotor Symptoms With Selective Estrogen Receptor Modulators
3803.1001-002 (PCT)	PCT/US2007/014598 (WO2008/002490-1/3/08) 6/22/07	Richard C. Lyttle, Bart Henderson, Gary Hattersley	Expired	Treatment of Vasomotor Symptoms With Selective Estrogen Receptor Modulators

C. Solely Owned by Radius

HBSR Docket No.	Application Number (Pub. Number-Date) and Filing Date	Inventors	Status	Short Description
3803.1001-003 (US)	12/308,640 (6/22/07) (US 2010/0105733 A1-4/29/2010)	Richard C. Lyttle, Bart Henderson, Gary Hattersley	U.S. National Stage of PCT Pending	Treatment of Vasomotor Symptoms With Selective Estrogen Receptor Modulators
3803.1001-004 (Europe)	07796378.3 (6/22/07)	Richard C. Lyttle, Bart Henderson, Gary Hattersley	EP Regional Phase Pending	Treatment of Vasomotor Symptoms With Selective Estrogen Receptor Modulators

	(EP2037905-3/25/09)			
3803.1001-005 (Canada)	2656067 (6/22/07)	Richard C. Lyttle, Bart Henderson, Gary Hattersley	Canadian National Stage of PCT Pending	Treatment of Vasomotor Symptoms With Selective Estrogen Receptor Modulators

D. Licensed to Radius by Eisai

HBSR Reference No.	Country	App.and/or Patent Number (Pub. Number-Date) and Filing Date	Status	Short Description
3803.0020-003	Australia	2003292625 B2 (2003292625 A1-7/22/2004) 12/25/03	Granted 11/6/2008 Australian National Stage of PCT	Selective Estrogen Receptor Modulators
3803.0020-004	Canada	2512000 12/25/03	Pending Canadian National Stage of PCT	Selective Estrogen Receptor Modulators
3803.0020-002	Europe	EP 2003782904 (1577288 A1-9/21/05) 12/25/03	Pending European Regional Stage of PCT	Selective Estrogen Receptor Modulators
3803.0020-001	USA	US. Patent No. 7,612,114 11/158,245 (2006/0116364-6/1/06) 6/22/05	Granted Continuation-in-Part of U.S. Designation of PCT	Selective Estrogen Receptor Modulators

HBSR Reference No.	Country	App.and/or Patent Number (Pub. Number-Date) and Filing Date	Status	Short Description
3803.0020-000	PCT	PCT/JP2003/016808 (12/25/03) Publication No. WO 2004/058682 (7/15/04)	Expired	Selective Estrogen Receptor Modulators
3803.0020-005	India	2829/DELNP/2005 (12/25/2003)	Pending Indian National Stage of PCT	Selective Estrogen Receptor Modulators
3803.0020-006	Australia	Div. of 2003292625 B2	Pending	Selective Estrogen Receptor Modulators
3803.0020-007	United States	Application No. 12/544,965 8/20/2009 Publication No. US2009/0325930 12/31/2009	Pending	Selective Estrogen Receptor Modulators

SARMS

A. Owned by Radius

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1015-000 (US)	61/066,697 (02/22/08)	Chris P. Miller	Expired	Selective Androgen Receptor Modulators
3803.1015-001 (US)	61/132,353 (6/18/08)	Chris P. Miller	Expired	Selective Androgen Receptor Modulators
3803.1015-002 (US)	61/205,727 (1/21/09)	Chris P. Miller	Expired	Selective Androgen Receptor Modulators
3803.1015-003 (PCT)	PCT/US2009/001035 (2/19/09)	Chris P. Miller	Expired	Selective Androgen Receptor Modulators
3803.1015-004 (US)	12/378,812 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-005 (US)	12/541,489 (8/14/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1015-006 (US)	12/806,636 (8/17/10)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-007 (Australia)	2009215843 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-008 (Brazil)	PI09078444 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-009 (Canada)	2716320 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-010 (Europe)	09712082.8 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-011 (India)	6324DELNP2010 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-012 (Japan)	2010547633 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators
3803.1015-013 (Mexico)	MXA2010009162 (2/19/09)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1019-000 (US)	61/212,399 (4/10/99)	Chris P. Miller	Expired	Selective Androgen Receptor Modulators
3803.1019-001 (PCT)	PCT/US2010/030480 (4/9/10)	Chris P. Miller	Pending Published as WO2010/118287 (10/14/10)	Selective Androgen Receptor Modulators

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1021-000 (US)	61/301,492 (2/4/10)	Chris P. Miller	Expired	Selective Androgen Receptor Modulators
3803.1021-001 (PCT)	PCT/US2011/023768 (2/4/11)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1023-000 (US)	61/361,168 (7/2/10)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1024-000 (US)	61/387,440 (9/28/10)	Chris P. Miller	Pending	Selective Androgen Receptor Modulators

BaO58

A. Jointly Owned by Radius and Ipsen

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1004-000 (US)	60/848,960 (10/3/06)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Expired	PTHrP Formulation
3803.1004-002 (PCT)	PCT/US2007/021216 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Expired	PTHrP Formulation
3803.1004-003 (US)	12/151,975 (5/9/08)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Granted US Patent No. 7,803,770 (9/28/10)	PTHrP Formulation
3803.1004-004 (Australia)	2007322334 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1004-005 (Brazil)	PU07198213 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-006 (Canada)	2664734 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-007 (China)	200780037021.9 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-008 (Europe)	07870768.4 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-009 (India)	2340DELNP2009 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-010 (Israel)	197926 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-011 (Japan)	2009531434 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-012 (Korea)	1020097008736 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-013 (Mexico)	MXA2009003569 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1004-014 (New Zealand)	576682 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation

3803.1004-015 (Norway)	20091545 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-016 (Russian Federation)	2009116531 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-017 (Singapore)	2009922401 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-018 (Ukraine)	200904264 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-019 (US)	12/311,418 (10/3/07)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-020 (PCT)	PCT/US2009/002868 (5/8/09)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Abandoned	PTHrP Formulation
3803.1004-021 (Hong Kong)	09109160.6 (10/2/09)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation
3803.1004-022 (US)	12/855,458 (8/12/10)	Michael J. Dey, Nathalie Mondoly, Benedice Rigaud, Bart Henderson and Richard C. Lyttle	Pending	PTHrP Formulation

B. Licensed to Radius by Ipsen (BaO58)

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US	USA	08/626,186 (03/29/96)	U.S. Patent 5,723,577 (03/03/98) Expires 03/29/16	Analogs of PTH
038/US2	USA	08/779,768 (01/07/97)	U.S. Patent 5,969,095 (10/19/99) Expires 3/29/16	Claims BA058
038/US/PCT2	PCT	PCT/US96/11292 (07/03/96)	Expired	Analogs of PTH
038/US/PCT2/EP	Europe	96924355.9 (01/30/98)	European Patent 0 847 278 (09/24/03) Expires 07/03/16 Activation in AT, BE, CH, DE, DK,	Analogs of PTH

		Regional Phase entry of PCT/US96/11292	ES, FI, FR, Gb, GR, IE, IT, LI, LU, MC, NL, PT, SE; Ext: AL, LT, LV, SI Now Abandoned in AL, LT, LU, MC, SI, LV	
038/US/PCT2/EP-A	Europe	03077383.2 (07/30/03) Divisional of 96924355.9	European Patent No.:1405861 Expires 7/3/2016 Activation in AT, BE, CH, DE, DK, ES, FI, FR, Gb, GR, IE, IT, LI, LU, MC, NL, PT, SE	Analogs of PTH
038-EP-EPD[3]	Europe	10156965.5 (3/18/2010)	Pending	Analogs of PTH
038/US/PCT2/JP	Japan	9-505897 (07/03/96) Regional Phase entry of PCT/US96/11292	Pending Published 8/17/1999	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US/PCT2/JP-A	Japan	008027/03 (01/16/03) Divisional of 9-505897	Patent No. 4008825 Granted 08/23/07 Expires 7/3/2016	Analogs of PTH
038/US/PCT2/AU	Australia	64834/96 (07/03/96) Regional Phase entry of PCT/US96/11292	Patent No. 707094 (07/01/99) Expires 07/03/16	Analogs of PTH
038/US/PCT2/CA	Canada	2,226,177 (07/03/96) Regional Phase entry of PCT/US96/11292	Patent No.:2,226,177 Expires 7/3/2016	Analogs of PTH
038/US/PCT2/CN	China	96196926.1 (07/03/96) Regional Phase entry of PCT/US96/11292	Patent No. ZL96 196926.1 (2/25/06) Expires 07/03/16	Analogs of PTH
038/US/PCT2/CN-A	China	200410005427.2 (07/03/96) Divisional of 96196926.1	Patent No.. ZL200410005427.7 (8/20/02) Expires 07/03/16	Analogs of PTH
038/US/PCT2/CN-C	China	2006 10100113.4 (7/21/06)	Patent No.: ZL200610100113 Expires 7/3/2016	Analogs of PTH

		Divisional of 2004 10005427.7		
038-CN-DIV[4]	China	20100150544.8	Pending	Analogs of PTH
038/US/PCT2/CN-HK	Hong Kong	99100132.1 (01/13/99) Registration in Hong Kong of 961 96926.1	Patent No. 1 014 876 Expires 07/03/16	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US/PCT2/HU	Hungary	P9901718 (07/03/96) Regional Phase entry of PCT/US96/11292	Patent No.: 226935 Expires 7/3/2016	Analogs of PTH
038/US/PCT2/IL	Israel	122837 (07/03/96 Regional Phase entry of PCT/US96/11292	Patent No. 122837 (02/11/03) Expires 07/03/16	Analogs of PTH
038/US/PCT2/KR	Korea	1998-0700249 (07/03/96) Regional Phase entry of PCT/US96/11292	Patent No. 0500853 (07/04/05) Expires 07/03/16	Analogs of PTH
038/US/PCT2/KR-A	Korea	2004-706338 (04/28/04) Divisional of 1998-0700249	Patent No. 0563600 (3/16/06) Expires 07/03/16	Analogs of PTH
038/US/PCT2/KR-B	Korea	2004-706339 (04/28/04) Divisional of 1998-0700249	Patent No. 0563601 (3/16/06) Expires 07/03/16	Analogs of PTH
038/US/PCT2/KR-C	Korea	2004-706340 (04/28/04) Divisional of 1998-0700249	Patent No. 0563602 (3/16/06) Expires 07/03/16	Analogs of PTH
038/US/PCT2/KR-D	Korea	2004-706341 (04/28/04) Divisional of 1998-0700249	Patent No. 0563112 (3/15/06) Expires 07/03/16	Analogs of PTH
038/US/PCT2/MX	Mexico	PA/a/1998/000418 (07/03/96) Regional Phase entry of PCT/US96/11292	Patent No. 222317 (08/26/04) Expires 07/03/16	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US/PCT2/NZ	New Zealand	312899 (01/20/98) Regional Phase entry of PCT/US96/11292	Patent No. 312899 (02/08/00) Expires 07/03/16	Analogs of PTH
038/US/PCT2/PL	Poland	P.325905 (01/12/98) Regional Phase entry of PCT/US96/11292	Patent No. 186710 (08/07/03) Expires 07/03/16	Analogs of PTH
*038/US/PCT2/RU	Russia	98/102406 (7/3/96)	Patent No. 2,157,699 (10/20/00)	Analogs of PTH
*038/US/PCT2/SG	Singapore	9706046.1 (7/3/96)	Patent No. P-51260 (10/16/01)	Analogs of PTH
*038/US/TW	Taiwan	85108390 (07/11/96)	Patent No. 153897 (08/07/02)	Analogs of PTH
038/US3	USA	08/813,534 (03/07/97)	Patent No. 5,955,574 (09/21/99) Expires 03/29/16	Analogs of PTH
038/US3/PCT2	PCT	PCT/US97/22498 (12/08/97)	Expired	Analogs of PTH
038/US3/PCT2/US2	USA	09/399,499 (09/20/99)	Patent No. 6,544,949 (04/08/03) Expires 03/29/16	Claims a method of treating osteoporosis with BA058 and a pharmaceutical composition including BA058
038/US3/PCT2/US2-A	USA	10/289,519 (11/06/02)	Patent No. 6,921,750 (07/26/05) Expires 03/29/16 **Reissue Application** filed 9/16/06 Application No. 11/523,812	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US3/PCT2/US2-B	USA	11/094,662 (03/30/05)	Patent No. 7632811 Expires 9/6/2019	Analogs of PTH
038/US3/PCT2/EP	Europe	97951595.4 (12/08/97) National Stage of PCT/	Patent No. EP0948541 (03/29/06) Expires 12/08/17	Analogs of PTH

		US97/22498 (12/08/97)	Activation in: AT, BE, CH, LI, DE, DK, ES, FI, FR, GB, GR, IE, IT, LU, MC, NL, PT, SE; Extension States: AL, LT, LV, MK, RO and SI Now Abandoned in AL, LT, LU, MK, MC, RO, SI	
038/US3/PCT2/EP-A	Europe	05026436.5 (12/12/05) Divisional of EP 97951595.4	European Patent No. 1645566 Expires 12/8/2017 Activation in: AT, BE, CH, DE, DK, ES, FI, FR, GB, GR, IE, IT, NL, PT, SE	Analogs of PTH
038/US3/PCT2/JP	Japan	10-530865 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 3963482 06/01/07 Expires 12/08/17	Analogs of PTH
038/US3/PCT2/AU	Australia	55199/98 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 741584 (03/21/02) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/CA	Canada	2,276,614 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 2,276,614 (06/11/02) Expires 12/08/17	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US3/PCT2/CN	China	97181915.7 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. ZL97181915.7 (02/11/04) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/CN-HK	Hong Kong	00105467.3 (12/08/00) Registration of 97181915.7	1026215 (07/09/04) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/CZ	Czech Republic	PV 1999-2398 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No.298937 (02/06/08) Expires 12/08/17	Analogs of PTH

038/US3/PCT2/CZ-A	Czech Republic	PV2005-594 (9/16/05) Divisional of PV 2398-99	Pending	Analogs of PTH
038/US3/PCT2/HU	Hungary	P9904596 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Pending Published 6/28/2000	Analogs of PTH
038/US3/PCT2/HU-A	Hungary	P0600009 (1/11/06) Divisional of HU P 99 04596	Pending Published 01/26/2006	Analogs of PTH
038/US3/PCT2/IL	Israel	130794 (12/08/07) National Stage of PCT/ US97/22498 (12/08/97)	Patent No.130794 (07/03/06) Expires 12/08/17	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US3/PCT2/IN	India	7/MAS/98 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 228906 Expires 1/1/2018	Analogs of PTH
038/US3/PCT2/IN-A	India	63/CHE/2008 (01/08/08) Divisional of 7/MAS/98	Pending	Analogs of PTH
038/US3/PCT2/IN-B	India	456/CHE/2008 (02/22/08) Divisional of 7/MAS/98	Pending	Analogs of PTH
038/US3/PCT2/KR	Korea	1999-7006165 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 0497709 (06/17/05) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/KR-A	Korea	2005-7003295 (2/25/05) Divisional of KR 1999-7006165	Patent No. 0699422 (3/19/07) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/MX	Mexico	Pa/a/1999/006387 (12/08/97)	Patent No. 222316 (08/26/04) Expires 12/08/17	Analogs of PTH

038/US3/PCT2/NZ	New Zealand	336610 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 336610 (11/09/01) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/PL	Poland	P-334438 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 191898 (2/15/06) Expires 12/08/17	Analogs of PTH

Ipsen Reference No.	Country	Application Number Filing Date and Priority	Status	Short Description
038/US3/PCT2/PL-A	Poland	P.370525 (10/04/04) Divisional of P.33438	Patent No. 191239 (09/03/07) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/RU	Russia	99117145 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 2,198,182 (02/10/03) Expires 12/08/17	Analogs of PTH
038/US3/PCT2/SG	Singapore	9903165.0 (12/08/97) National Stage of PCT/ US97/22498 (12/08/97)	Patent No. 66567 (07/18/00) Expires 12/08/17	Analogs of PTH
038/US2/US3/TW	Taiwan	87100028 (01/02/98)	Patent No. 156542 (06/01/02) Expires 01/02/18	Analogs of PTH
038/US/PCT2/CN-C/HK	HK	Filing 07103960.3 4/16/2007	Patent No. HK1096976 Expires 7/3/2016	Analogs of PTH
038/US3/PCT2/US2-C	US	Filing 11/684,383 3/09/2007	Patent No. 7,410,948 (8/12/08) Expires 03/29/16	Analogs of PTH

B. Jointly Owned by Radius and 3M

HBSR Docket No.	Application Number and Filing Date	Inventors	Status	Short Description
3803.1025-000 (US)	61/478,466 (4/22/2011)	Gary Hattersley, Kris J. Hansen, Amy S. Determan	Pending	Method of drug delivery for PTH, PTHrP, and related peptides.

Schedule 5.12(b)

Intellectual Property

1. See items listed as "Jointly Owned" or "Licensed to Radius" in Item 3 of Schedule 5.12(a).

2. Certain rights licensed to 3M pursuant to that certain Development and Clinical Supplies Agreement with 3M dated June 19, 2009.

Schedule 5.12(c)

Intellectual Property

1. See items listed as "Jointly Owned" or "Licensed to Radius" in Item 3 of Schedule 5.12(a).

2. Certain rights licensed to 3M pursuant to that certain Development and Clinical Supplies Agreement with 3M dated June 19, 2009.

Schedule 5.12(e)

Intellectual Property

None.

Schedule 5.12(f)

Intellectual Property

1. See items listed as "Jointly Owned" or "Licensed to Radius" in Item 3 of Schedule 5.12(a).

2. Certain rights licensed to 3M pursuant to that certain Development and Clinical Supplies Agreement with 3M dated June 19, 2009.

Schedule 5.12(g)

Intellectual Property

1. See items listed as "Jointly Owned" or "Licensed to Radius" in Item 3 of Schedule 5.12(a).

2. Certain rights licensed to the Corporation pursuant to that certain Development and Clinical Supplies Agreement with 3M dated June 19, 2009.

Schedule 5.12(h)

Intellectual Property

None.

Schedule 5.12(i)

Intellectual Property

None.

Schedule 5.14(a)

Title to Properties

None.

Schedule 5.14(b)

Title to Properties

1. Sublease by and between the Corporation and Sonos, Inc., dated January 14, 2011, for the property located at 201 Broadway, Cambridge, Massachusetts.

Schedule 5.15

Investments in Other Persons

1. Demand Promissory Note issued by MPM Acquisition Corp. to the Corporation, dated November 22, 2010.

Schedule 5.16

ERISA

1. Radius Health, Inc. 401(k) Plan

2. Radius Health, Inc. Flexible Spending Account Plan

Schedule 5.17

Use of Proceeds

1. The Corporation anticipates using the net proceeds from the sale of the Series A-1 Preferred Stock to complete enrollment of the Phase 3 study of the subcutaneous form of the Corporation' s product candidate BA058 (PTHrP analog), complete the Phase 1b study of the transdermal form of BA058, bolster the Corporation' s balance sheet to improve negotiation leverage with potential partners, and to complete a reverse merger with a publicly reporting Form 10 shell enabling the Corporation to eventually become publicly traded and listed on a national securities exchange such as Nasdaq. The amounts actually expended by the Corporation for the above purposes may vary significantly depending on numerous factors, including future revenue growth, if any, the progress of the Corporation' s research and development efforts and technological advances and hence, the Corporation' s management will retain broad discretion in the allocation of the net proceeds from the Series A-1 Preferred Stock.

Schedule 5.18

Permits and Other Rights; Compliance with Laws

None.

Schedule 5.19

Insurance

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
COMMERCIAL PACKAGE	Travelers Property Casualty Co. of AME	6305876P819	01/30/2011 - 01/30/2012	$5,598.00

PROPERTY

Replacement Cost Valuation on Personal Property
Special Form Causes of Loss including Equipment Breakdown

Scheduled Location

201 Broadway

Cambridge , MA 02139

Limits

Business Personal Property	$1,050,000
Business Income/Extra Expense	$250,000
Property at Unscheduled Location	$50,000
Property in Transit	$50,000

Deductibles

Property	$2,500
Business Income Waiting Period	24 Hours

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
COMMERCIAL PACKAGE	Travelers Property Casualty Co. of AME	6305876P819	01/30/2011 - 01/30/2012	$5,598.00

GENERAL LIABILITY

General Aggregate Limit	$2,000,000
Products/Completed Operations Aggregate	Excluded
Each Occurrence Limit	$1,000,000
Advertising Injury and Personal Injury Limit	$1,000,000
Premises Damage	$300,000
Medical Expense	$10,000

EMPLOYEE BENEFITS LIABILITY (CLAIMS-MADE)

Each Claim Limit	$1,000,000
Aggregate Limit	$3,000,000
Deductible	$0

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
FOREIGN PACKAGE	Travelers Property Casualty Co. of AME	TE06904263	01/30/2011 - 01/30/2012	$2,500.00

INTERNATIONAL GENERAL LIABILITY

General Aggregate Limit	$2,000,000
Products/Completed Operations Aggregate	Excluded
Each Occurrence Limit	$1,000,000
Advertising Injury and Personal Injury Limit	$1,000,000
Premises Damage	$300,000
Medical Expense	$10,000

INTERNATIONAL AUTOMBOBILE

HIRED & NON-OWNED AUTO LIABILITY - EXCESS/DIC

Combined Single Limit for Bodily Injury and/or Property Damage	$1,000,000

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
FOREIGN PACKAGE	Travelers Property Casualty Co. of AME	TE06904263	01/30/2011 - 01/30/2012	$2,500.00
Medical Payments $10,000				

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
FOREIGN PACKAGE	Travelers Property Casualty Co. of AME	TE06904263	01/30/2011 - 01/30/2012	$2,500.00

FOREIGN VOLUNTARY WORKERS' COMPENSATION

Description of Covered Employees	
International Executive Employees -	State of Hire Benefits
Other International Employees -	Country of Origin Benefits

EMPLOYER' S LIABILITY

Limits of Liability	
Bodily Injury by Accident (Each Accident)	$1,000,000
Bodily Injury by Disease (Aggregate)	$1,000,000
Bodily Injury by Disease (Each Employee)	$1,000,000

Coverage Extensions	
Repatriation/Transportation - Each Person	$25,000
Repatriation/Transportation - Aggregate	$50,000

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
COMMERCIAL AUTOMOBILE	Charter Oak Fire Ins. Co.	BA5881P281	01/30/2011 - 01/30/2012	$683.00

HIRED & NON-OWNED AUTO LIABILITY

Combined Single Limit for Bodily Injury and/or Property Damage	$1,000,000

HIRED CAR PHYSICAL DAMAGE

Limit	Actual Cash Value
Comprehensive Deductible	$0
Collision Deductible	$500

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
WORKERS' COMPENSATION	Charter Oak Fire Ins. Co.	UB9485C327	01/30/2011 - 01/30/2012	$4,040.00 *Subject to Audit*

COVERAGEWORKERS' COMPENSATION A -

Statutory in MA

COVERAGEEMPLOYER' S LIABILITY B -

Bodily Injury by Accident (Each Accident)	$500,000
Bodily Injury by Disease (Aggregate)	$500,000
Bodily Injury by Disease (Each Employee)	$500,000

COVERAGEOTHER STATES except C -

ND, OH, WA, WY & those listed in Coverage A

Note: Coverage C has limitations. Please contact WGA if you begin operations in any state not listed under Coverage A.

Based on estimated payroll as follows:

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
WORKERS' COMPENSATION	Charter Oak Fire Ins. Co.	UB9485C327	01/30/2011 - 01/30/2012	$4,040.00 *Subject to Audit*

MA

Class Code	Class Description	Payroll
8810	Clerical Office Employees NOC	$1,300,000
4512	Biomedical Research Laboratories	$1,400,000

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
COMMERCIAL UMBRELLA	St. Paul Fire & Marine Insurance Co.	TE06904241	01/30/2011 - 01/30/2012	$4,004.00

LIMITS OF LIABILITY

Per Occurrence	$5,000,000
General Aggregate	$5,000,000
Self-Insured Retention	$10,000

Underlying Coverages
Domestic General Liability
Domestic Employee Benefits Liability
Domestic Employer' s Liability
Domestic Automobile Liability
Foreign General Liability
Foreign Employer' s Liability
Foreign Automobile Liability

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
PRODUCTS LIABILITY	Federal Insurance Company	35854927	01/30/2011 - 01/30/2012	$55,500.00

LIMITS OF LIABILITY

Aggregate Limit	$10,000,000
Each Occurrence Limit	$10,000,000
Deductible – Each Event	$25,000

Retroactive Dates:

$5,000,000	1/20/2006
$5,000,000 excess of $5,000,000	7/17/2008

Rated on Number of Participant 2,448

Claims-Made Coverage
Defense Costs included in Limit of Liability

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM

WORLD WIDE TRANSIT	Allianz Global Corporate Specialty-AGCS	OC91225900	03/25/2011 - 03/25/2012	$16,600.00

Transit Limits

Any One Vessel/Connecting Conveyance	$1,200,000
Any One Aircraft/Connecting Conveyance	$1,200,000
Any One Inland Conveyance	$1,200,000
Deductible	$2,500

Storage Limits

Aptuit	$8,500,000
12 Clinical Sites	$3,200,000
Deductible	$5,000

** No Single Location to exceed $1,100,000*

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
MANAGEMENT LIABILITY	Federal Insurance Company	82108432	10/08/2010 - 10/08/2011	$23,445.00

DIRECTORS' & OFFICERS' LIABILITY

Maximum Aggregate Limit	$5,000,000
Dedicated Limit for Executives	$500,000
Deductibles:	
Non-Indemnified Loss	$0
Indemnified Loss	$25,000
Company Loss	$25,000
Prior & Pending Litigation Date	4/29/2005

Claims-Made Coverage
Defense Costs included in Limit of Liability

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
MANAGEMENT LIABILITY	Federal Insurance Company	82108432	10/08/2010 - 10/08/2011	$23,445.00

EMPLOYMENT PRACTICES LIABILITY

Maximum Aggregate Limit	$5,000,000
Third Party Liability Limit	$5,000,000
Deductibles:	
EPL	$5,000

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
MANAGEMENT LIABILITY	Federal Insurance Company	82108432	10/08/2010 - 10/08/2011	$23,445.00

Third Party	$5,000
Prior & Pending Litigation Date	4/29/2005
Claims-Made Coverage	
Defense Costs included in Limit of Liability	

FIDUCIARY LIABILITY

Maximum Aggregate Limit	$1,000,000
Deductible	$0
Prior & Pending Litigation Date	4/29/2005
Claims-Made Coverage	
Defense Costs included in Limit of Liability	

KIDNAP & RANSOM COVERAGE

Kidnapping and Extortion Threat	$1,000,000
Custody	$1,000,000
Expense	$1,000,000
Accidental Loss	$1,000,000
(i) Loss of Life	$1,000,000
(ii) Mutilation	25%
(iii) All other	100%
Legal Liability Costs	$1,000,000
Emergency Political Repatriation	$500,000

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
DENMARK - FOREIGN CLINICAL TRIAL	Newline	59001710A188	10/14/2010 - 10/14/2013	$45,000 *(plus 14% tax)*

Policy Limit	5,000,000
Deductible	1,500

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
DENMARK - FOREIGN CLINICAL TRIAL	Newline	59001710A188	10/14/2010 - 10/14/2013	$45,000 *(plus 14% tax)*
Number of Subjects 750				

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
CZECH REPUBLIC - FOREIGN CLINICAL TRIAL	Newline	59001710A187	10/19/2010 - 10/19/2013	$21,375
Policy Limit 2,500,000 Policy Sublimit 250,000 Deductible 0 Number of Subjects 225				

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
ESTONIA - FOREIGN CLINICAL TRIAL	QBE Syndicate 1886	10ME222515KA076	10/19/2010 - 10/19/2013	$17,750
Policy Limit 5,000,000 Deductible 1,500 Number of Subjects 175				

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
LITHUANIA - FOREIGN CLINICAL TRIAL	QBE Syndicate 1886	10ME222515KA077	10/19/2010 - 10/19/2013	$17,750
Policy Limit 17,500,000 LTL Policy Sublimit 100,000 LTL Deductible 1,500 Number of Subjects 175				

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
POLAND - FOREIGN CLINICAL TRIAL	QBE Syndicate 1886	10ME222515KA078	10/19/2010 - 10/19/2013	$17,750
Policy Limit 5,000,000 Deductible 0 Number of Subjects 150				

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM

LITHUANIA - FOREIGN CLINICAL TRIAL	QBE Syndicate 1886	10ME222515KA077	10/19/2010 - 10/19/2013	$17,750

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
ROMANIA - FOREIGN CLINICAL TRIAL	Newline	59001710A189	10/19/2010 - 10/19/2013	$14,000

Policy Limit	5,000,000
Deductible	1,500
Number of Subjects	125

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
BRAZIL - FOREIGN CLINICAL TRIAL	HDI-Gerling	39001162602140	10/20/2010 - 10/20/2013	$33,000

Policy Limit	$1,000,000
Deductible	$10,000
Number of Subjects	400

COVERAGE AND LIMITS	INSURANCE COMPANY	POLICY NUMBER	TERM	PREMIUM
HONG KONG - FOREIGN CLINICAL TRIAL	HDI-Gerling	16000000245983	10/20/2010 - 10/20/2013	297,400 HKD

Policy Limit	20,000,000 HKD
Policy Sublimit	10,000,000 HKD
Deductible	50,000 HKD
Number of Subjects	400

* All Foreign Clinical Trial premiums are subject to audit at expiration.

Schedule 5.20

Board of Directors

1. The Corporation has agreed pursuant to that certain Term Sheet dated March 31, 2011, to allocate four of the seven seats on the Board of Directors to certain of the Investors listed in Schedule I to the Purchase Agreement.

2. The Corporation has agreed, in Article III, Section A.6(b) of its Fourth Amended and Restated Certificate of Incorporation, filed with the Secretary of State of the State of Delaware on May 17, 2011, to allocate four of the seven seats on the Board of Directors to certain of the Investors listed in Schedule I to the Purchase Agreement.

Schedule 5.22(a)

Environmental Matters

None.

Schedule 5.22(d)

Environmental Matters

1. The following chemicals, radioactive materials, or other potentially harmful materials or substances were present or used on the Property at 300 Technology Square, Cambridge, Massachusetts 02139, which is no longer occupied by the Corporation:

Less than 10 liters	**Less than 1 liter**	**Less than 1 kg**	**Less than 10g**
Acetone	acetic acid	4-C2-Hydroxyethyl-1-piperazineethanesulfonic acid	Adenoslne 5’ Triposphate Disodium
Ethanol	acetonitrile	acrylamide	All Gel Dydrazide
Isopentyl alcohol	Benzyl alcohol	agarose	abendonate
Methanol	butanol	albumin	Bromopherol blue
Wescodyne	chloroform	aromoblum acetate	Cholecalciferol
Xylene	Citric Acid	beta-cyclodextrin	Dihydroxytestosterone
bleach	Coomassie Blue Stain	Calcium Chloride	estradiol
	DEPC water	Carbamychofine Chloride	Ethldium Bromide
	diethyl pyrocarbonate	Chloramidopropyl (Dimethylammonio)-2 Hydroxy-1-Propoanesultonate	Forskolin
	dimethylacetamide	Chloramphenicol	Geneticin
	dimethylformamide	dextran sulfate	Heparin Sodium
	dimethylsuloxide	dithothrepl	ketamine
	Ethyl Acetate	ettylepadiamine tetraacetic acid	Lipopolysaccharide
	Ethyl Alcohol	Gelatin	nandrolone
	Ethylene Glycol	Glucose	Phorbal‑12-myristate 13 acetate
	formic acid	glycine	raloxfene
	glycerol	Guanldine thcyanate	streptavicin
	heptane	hemaloxylin	tamoxlene
	Hexane	Hepes Free Acid	testosterone
	hydrochloric acid	Hexamine cobalt trichloride	tetracycline hydrochloride
	hydrogen peroxide	Histopaque 1077	toluidine blue
	isoflurane	magnesium chloride	xyazine
	isopropyl alcohol	Magnesium Sulfate	xylene canole
	mercapioethanol	melthycellulose	
	octane	methylmethacrylate	
	pH calibration buffers 4, 7, 10	paraffin wax	
	phenol	Paraformaldehyde	
	phenopthalein	Phosphate buffered saline	
	phosphate buffered saline	polyvinlypyrolidone	
	phosphoric acid	Potassium Acetate	
	polyoxyethylene	potassium chloride	
	potassium hydroxide	Potassium Hydroxide	
	Propanol	sodium Acetate	
	propylene glycol	sodium Azide	
	sulphuric acid	sodium bicarbonate	

Tetramethylbenzidine	Sodium Carbonate
trichioroacatic acid	Sodium chloride
triethanplamine	Sodium hydroxide
Tritton X-100	Sodium phosphate
	Sucrose
	Tetraethylammonium chloride
	Thioglycolic acid
	trishydorchloride

Human Cell Line	**Murine Cell Line**	**Other Cell Lines**
HeLa	C2C12	HEK293
HOB	ST2	COS
SaOs2	MC3T3E1	
MG63	U32	
U2OS	OB6	
	UMR106	
	MLOY4	

Radioactive Material	**Chemical/Physical Form**	**Maximum Possession Limit**
A. Hydrogen-3	A. Any	A 20 millicuries
B. Carbon-14	B. Any	B. 5 millicuries
C. Phosphorus-32	C. Any	C. 20 millicuries
D. Phosphorus-33	D. Any	D. 20 millicuries
E. Sulfur-35	E. Any	E. 20 millicuries
F. Iodine-125	G. Bound	G. 5 millicuries

Schedule 5.22(e)

Environmental Matters

1. The premises previously subleased by the Corporation and located at 300 Technology Square, Cambridge, Massachusetts 02139.

Schedule 5.22(f)

Environmental Matters

None.

Schedule 10

Certain Covenants

1. Pursuant to an engagement with Leerink Swann LLC ("Leerink") for services in connection with the Series A-1 Financing, the Corporation has agreed to issue to Leerink a Warrant to purchase 24,564 shares of Series A-1 Convertible Preferred Stock at the Stage I Closing.

2. On December 21, 2010, the Corporation Accepted and Agreed to a Proposal from GE Healthcare Financial Services, Inc. ("GEHFS") and Oxford Finance Corporation ("Oxford Finance") which forth the terms on which GEHFS and Oxford Finance Corporation would provide debt financing to the Corporation in an aggregate amount of $25m in tree tranched term loans. As part of the Proposal, the Corporation would be required to issue to GEHFS and Oxford Finance warrants to purchase, in the aggregate, 122,820 shares of Series A-1 Convertible Preferred Stock and to grant to GEHFS the right to purchase up to an additional 122,820 shares on terms substantially the same as those on which MPM is making their investment in the Corporation in the Series A-1 Financing. It is expected that operative documents pertaining to such debt financing will be finalized on or about the Stage I Closing Date.

3. Pursuant to the terms of that certain License Agreement by and between the Corporation and Ipsen Pharma SAS ("Ipsen"), as amended, the Corporation may issue shares of Series A-1 Preferred Stock to Ipsen as payment milestones, in lieu of cash payments, at $8.142 per share.

OPTION NUMBER: 10-01
OPTIONEE: Alan Auerbach
DATE OF GRANT: October 12, 2010
EXERCISE PRICE: $0.09 per share
COVERED SHARES: 2,084,602, subject to adjustment

RADIUS HEALTH, INC.
2003 LONG-TERM INCENTIVE PLAN

NON-STATUTORY STOCK OPTION AGREEMENT

1. Definitions. In this Agreement, capitalized terms used herein and not defined elsewhere herein shall have the following meanings:

1.1 "Affiliate" means a corporation, partnership, business trust, limited liability company or other form of business organization at least a majority of the total combined voting power of all classes of stock or other equity interests of which is owned by the Company either directly or indirectly.

1.2 "Agreement" means this Non-Qualified Stock Option Agreement.

1.3 "Board" means the Board of Directors of the Company.

1.4 "Cause" means the Optionee' s (a) failure to substantially perform his duties (other than by reason of Disability) with respect to the Company or any of its Affiliates, (b) engaging in conduct known by the Optionee or that reasonably should be known by the Optionee to be injurious to the Company or any of its Affiliates, (c) breach of fiduciary duty to the Company or any of its Affiliates, (d) dishonesty, fraud, alcohol or illegal drug abuse, or misconduct with respect to the business or affairs of the Company or any of its Affiliates, (e) willful violation of the policies of the Company or any of its Affiliates, or (f) conviction of a felony or crime involving moral turpitude. All determinations of Cause hereunder shall be made by the Committee in its discretion and shall be binding for all purposes hereunder.

1.5 "Change of Control" means (a) any merger or consolidation of the Company with or into another person or entity, other than a merger or consolidation in which the holders of capital stock of the Company immediately prior to such merger or consolidation will hold more than fifty percent (50%) of the capital stock or equity interests of the surviving corporation or the surviving entity, as the case may be, immediately after such merger or consolidation, or (b) any sale, transfer or other disposition of all or substantially all the assets of the Company to one or more persons or entities in a single transaction or a series of related transactions.

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

1.7 "Committee" means the committee(s), subcommittee(s), or person(s) charged, pursuant to the provisions of the Plan, with the administration of the Plan.

1.8 "Common Stock" means the common stock, par value $.01 per share, of the Company.

1.5 "Company" means Radius Health, Inc., a Delaware corporation, and any successor thereto.

1.6 "Covered Shares" means 2,084,602 shares of Common Stock, subject to adjustment pursuant to, and in accordance with, Section 4 hereof.

1.7 "Date of Exercise" means the date on which the Company receives notice pursuant to Section 5.2 of the exercise, as a whole or in part, of the Option.

1.8 "Date of Expiration" means the date on which the Option shall expire, which shall be the earliest of the following times:

(a) the date of the first notification to the Optionee that the Optionee' s Service is terminated by the Company or an Affiliate for Cause;

(b) thirty (30) days after termination of the Optionee' s Service for any reason other than by the Company or an Affiliate for Cause, death or Disability; provided, however, that if the Optionee dies within thirty (30) days of such termination, the Option shall be exercisable for a period of one (1) year after such termination;

(c) three (3) years after termination of the Optionee' s Service with the Company or an Affiliate by reason of death or Disability; or

(d) ten (10) years after the Date of Grant.

1.9 "Date of Grant" means the date set forth at the beginning of this Agreement.

1.10 "Disability" means the Optionee' s (a) total and permanent disability under any long-term disability plan or policy of the Company and/or its Affiliates in which the Optionee participates such that the Optionee becomes entitled to long-term disability payments thereunder, or (b) in the absence of any such plan or policy, a good faith determination by the Board that the Optionee is permanently and totally disabled.

1.11 "Exercise Price" means the dollar amount per share of Common Stock set forth on page 1 of this Agreement, as it may be adjusted from time to time pursuant to Section 4 hereof.

1.12 "Fair Market Value" means, (a) if the Common Stock is traded on a

securities exchange or automated dealer quotation system, at the Committee' s election, either (i) the last sale price for a share, as of the relevant date, on such securities exchange or automated dealer quotation system as reported by such source as the Committee may select, or (ii) the average of the closing prices of the Common Stock on such exchange or quotation system for the ten (10) trading days immediately preceding the relevant date, or (b) if the Common Stock is not traded on a securities exchange or automated dealer quotation system, an amount equal to the then fair market value of a Share as determined by the Committee pursuant to a reasonable method adopted in good faith for such purpose.

1.13 "Family Member" means a person who is (a) an ancestor, descendant, sibling or spouse of the Optionee, (b) determined by the Committee, in its sole discretion, to be a family member of the Optionee, or (c) a trust for the benefit of person(s) identified in the foregoing clause (a) or clause (b) hereof.

1.14

1.15 "Option" means the stock option granted to the Optionee in Section 2 of this Agreement.

1.16 "Option Period" means the period specified in Section 3.2 hereof.

1.17 "Optionee" means the person identified on page 1 of this Agreement.

1.18 "Plan" means the Radius Health, Inc. 2003 Long-Term Incentive Plan, as amended from time to time.

1.19 "Service" means, if the Optionee is (a) an employee of the Company and/or any of its Affiliates (as determined by the Committee in its discretion), the Optionee' s service as an employee of the Company and/or any of its Affiliates, (b) a member of the Board of Directors of the Company or any of its Affiliates but not an employee of the Company or any of its Affiliates (as determined by the Committee in its discretion), the Optionee' s service as a member of such Board of Directors, or (c) a consultant or independent contractor to the Company or any of its Affiliates (as determined by the Committee in its discretion) and is not described in the preceding clause (b), the Optionee' s service as a consultant or independent contractor to the Company and/or any of its Affiliates. The Optionee' s Service shall not be treated as having terminated if the capacity in which the Optionee provides Service, as described in the preceding sentence, changes, provided that the Optionee' s Service is continuous notwithstanding such change.

1.20 "Vesting Schedule" means the following schedule which consists of the vesting schedule applicable to the Covered Shares: the Covered Shares shall become time vested over twelve (12) quarterly installments, each quarterly installment being as equal in number of shares as possible (as determined by the Company in its reasonable discretion), with the first quarterly installment vesting on January 1, 2011, and an additional quarterly installment vesting on the first day of each calendar quarter thereafter, until all of the Covered Shares are fully vested and the Option may be exercised as to 100% of the Covered Shares.

Notwithstanding the foregoing, no Covered Shares shall become vested at any time after the termination of Optionee' s Service for any reason (except to the extent otherwise provided in the definition of Vested Covered Shares in the event that the Company or its stockholders terminate the Optionee' s Service without Cause).

1.21 "Vested Covered Shares" means, at the relevant time of reference thereto (including at any time the Option is exercised), that number of the Covered Shares that are, at such time, vested pursuant to, and in accordance with, the Vesting Schedule; provided, however, that (A) upon a Change of Control that occurs prior to the termination of Optionee' s Service for any reason, all of the Covered Shares that are not then Vested Covered Shares shall automatically become Vested Covered Shares, and (B) upon a termination by the Company or its stockholders of the Optionee' s Service without Cause, all of the Covered Shares that are not then Vested Covered Shares shall automatically become Vested Covered Shares.

2. Grant of Option. Pursuant to the Plan and subject to the terms of this Agreement, the Company hereby grants to the Optionee, as of the Date of Grant, the Option to purchase from the Company the Covered Shares, exercisable at the Exercise Price.

3. Terms of the Option.

3.1 Type of Option. The Option is a non-statutory stock option.

3.2 Option Period. Subject to the terms and conditions set forth in this Agreement, the Option may be exercised only during the period commencing on the Date of Grant and terminating on the Date of Expiration and only with respect to those Covered Shares for which the Option may be exercised at any time and from time to time during such period pursuant to, and in accordance with, the provisions of Section 5.1 hereof.

3.3 Nontransferability.

(a) Except as set forth in Section 3.3(b), the Option is not transferable by the Optionee other than by will or by the laws of descent and distribution, and is exercisable, during the Optionee' s lifetime, only by the Optionee, or, in the event of the Optionee' s legal disability, by the Optionee' s legal representative.

(b) Notwithstanding any other provision of this Agreement, the Optionee may transfer, not for value, all or part of the Option (the transferred Option or portion thereof being referred to herein as the "Transferred Option") to any Family Member (a "Qualified Transferee"); provided, however, that no transfer may be made unless the Optionee and the Qualified Transferee have made arrangements satisfactory to the Committee for satisfaction of any federal, state and local withholding tax requirements. For the purpose of this Section 3.3(b), a "not for value" transfer is a transfer that is (i) a gift or (ii) a transfer under a domestic relations order in settlement of marital property rights. Following any transfer under this Section 3.3(b), the Transferred Option shall continue to be subject to the

same terms and conditions as were applicable immediately prior to transfer, such that, for example, (i) the Option Period applicable to the Qualified Transferee shall expire upon termination of the Optionee' s Service for Cause in accordance with Section 3.2 herein, and (ii) any exercise of the Transferred Option by the Qualified Transferee must be in accordance with the procedures set forth in Section 3.4 and Section 5 hereof. Subsequent transfers of the Transferred Option (or any portion thereof) by the Qualified Transferee are prohibited, except to Family Members of the Optionee in accordance with this Section 3.3(b) or by will or the laws of descent and distribution.

3.4 Payment of the Exercise Price. The Optionee, upon exercise, as a whole or in part, of the Option, shall pay the Exercise Price, which payment maybe made by any or all of the following means, either alone or in combination:

(a) cash or check payable to the order of the Company;

(b) if, at the time of exercise, the Common Stock is listed for trading on a national securities exchange or automated dealer quotation system delivery (either actual or constructive), surrender to the Company of such number of shares of unencumbered Common Stock (provided that such shares, if acquired under the Option or under any other option or award granted under the Plan or any other plan sponsored or maintained by the Company, have been held by the Optionee for at least six (6) months) that have an aggregate Fair Market Value on the Date of Exercise equal to that portion of the Exercise Price being paid by delivery of such shares; or

(c) if, at the time of exercise, the Common Stock is listed for trading on a national securities exchange or automated dealer quotation system and in accordance with such rules as may be specified by the Committee, delivery to the Company of a properly executed exercise notice and irrevocable instructions to a registered securities broker promptly to deliver to the Company cash equal to the Exercise Price for that portion of the Option being exercised.

4. Capital Adjustments. The number of Covered Shares as to which the Option has not been exercised, the Exercise Price, and the type of stock or other consideration to be received on exercise of the Option shall be subject to proportionate and equitable adjustment to reflect such events as stock dividends, split-ups, spin-offs, recapitalizations, reclassifications, combinations or exchanges of shares, mergers, consolidations, liquidations, and the like, of or by the Company.

5. Exercise.

5.1 Exercisability. The Option may be exercised at any time, and from time to time, during the Option Period, with respect to any or all of those Covered Shares that are Vested Covered Shares at the time of the exercise of the Option; provided, that (i) in no event shall any such exercise be for less than one hundred (100) Covered Shares or, if the number of Covered Shares remaining subject to the Option total less than one hundred (100), such total remaining shares; and (ii) any exercise of the Option shall be in whole shares.

5.2 Notice. Subject to Section 5.1, the Option shall be exercised by the delivery to the Company of written notice of such exercise, in such form as the Committee may from time to time prescribe, accompanied by full payment (or means of full payment permitted by Section 3.4 hereof) of the Exercise Price with respect to that portion of the Option being exercised. Until the Committee notifies the Optionee to the contrary, the form attached to this Agreement as Exhibit A shall be used to exercise the Option.

5.3 Withholding. The Company' s obligation to deliver shares of Common Stock upon the exercise of the Option shall be subject to the satisfaction of any applicable federal, state and local tax withholding requirements. The Optionee may satisfy any such withholding obligation by any of the following means or by a combination of such means: (a) tendering a cash payment; (b) if at the time the withholding obligation arises, the Common Stock is listed for trading on a national securities exchange or automated dealer quotation system, authorizing the Company to withhold shares of Common Stock from the shares otherwise issuable to the Optionee upon exercise of the Option; or (c) if at the time the withholding obligation arises, the Common Stock is listed for trading on a national securities exchange or automated dealer quotation system, delivering to the Company already-owned and unencumbered shares of Common Stock. For purposes of this Section 5.3, shares of Common Stock that are withheld or delivered to satisfy applicable withholding taxes shall be valued at their Fair Market Value on the date the withholding tax obligation arises, and in no event shall the aggregate Fair Market Value of the shares of Common Stock withheld and/or delivered pursuant to this Section 5.3 exceed (the minimum amount of taxes required to be withheld in connection with exercise of the Option.

5.4 Effect. The exercise, as a whole or in part, of the Option shall cause a reduction in the number of Covered Shares as to which the Option may be exercised in an amount equal to the number of shares of Common Stock as to which the Option is exercised.

6. Representations. The Optionee hereby represents and warrants that the Optionee has received and reviewed a copy of the Plan. The Optionee agrees that, upon the issuance of any shares of Common Stock upon the exercise of the Option, the Optionee will, upon the request of the Company, represent and warrant in writing that the Optionee (a) has received and reviewed a copy of the Plan; (b) is capable of evaluating the merits and risks of exercising the Option and acquiring the shares and able to bear the economic risks of such investment; (c) has made such investigation as he or she deems necessary and appropriate of the business and financial prospects of the Company; and (d) is acquiring the shares for investment only and not with a view to resale or other distribution thereof. The Optionee shall make such other representations and warranties that the Committee may request for the purpose of complying with applicable law.

7. Reserved.

8. Legends. The Optionee agrees that the certificates evidencing the shares of Common Stock issued upon exercise of the Option may include any legend which the Committee deems appropriate to reflect the transfer and other restrictions contained in the Plan,

this Agreement or to comply with applicable laws.

9. Rights as Stockholder. The Optionee shall have no rights as a stockholder with respect to any shares of Common Stock subject to the Option until and unless a certificate or certificates representing such shares are issued to the Optionee pursuant to this Agreement.

10. Service. Neither the grant of the Option evidenced by this Agreement nor any term or provision of this Agreement shall constitute or be evidence of any understanding, express or implied, on the part of the Company to employ or retain the Optionee for any period.

11. Subject to the Plan. The Option evidenced by this Agreement and the exercise thereof are subject to the terms and conditions of the Plan, which is incorporated by reference and made a part hereof, but the terms of the Plan shall not be considered an enlargement of any rights or benefits under this Agreement. In addition, the Option is subject to any rules and regulations promulgated by the Committee.

12. Governing Law. The validity, construction, interpretation and enforceability of this Agreement shall be determined and governed by the laws of the State of Delaware without giving effect to the principles of conflicts of laws.

13. Severability. If any provision of this Agreement shall be held to be invalid, illegal or unenforceable in any material respect, such provision shall be replaced with a provision that is as close as possible in effect to such invalid, illegal or unenforceable provision, and still be valid, legal and enforceable, and the validity, legality and enforceability of the remainder of this Agreement shall not in any way be affected or impaired thereby.

IN WITNESS WHEREOF, the Company has caused this Agreement to be signed on its behalf by the undersigned, thereunto duly authorized, effective as of the Date of Grant.

ATTEST: RADIUS HEALTH, INC.

/s/ B. Nicholas Harvey By: /s/ C. Richard Lyttle

Accepted and agreed to as of the Date of Grant:

/s/ Alan Auerbach
ALAN AUERBACH

"EXHIBIT A"
EXERCISE OF OPTION

Board of Directors
Radius Health, Inc.

,

Gentlemen:

The undersigned, the Optionee under the Non-Statutory Stock Option Agreement ("Agreement") identified as Option No. granted pursuant to the Radius Health, Inc. 2003 Long-Term Incentive Plan, hereby irrevocably elects to exercise the Option granted in the Agreement to purchase shares of Common Stock of Radius Health, Inc., par value $0.01 per share (the "Option Shares"), and herewith makes payment of $ in the form of (check all that apply and if more than one is checked, indicate the amount to be paid by each payment method):

☐ Cash or Check:

☐ Common Stock:*

☐ Brokerage Transaction: *

The undersigned hereby elects to satisfy applicable withholding requirements by (check all that apply and, if more than one is checked, indicate the amount to be withheld by each withholding method):

☐ Cash or Check:

☐ Withholding of Common Stock: *

☐ Delivery of Common Stock: *

* Applicable only if the Common Stock is listed on a national securities exchange or an automated dealer quotation system and the requirements of Section 3.4(c) or 5.2, as applicable, of the Agreement are satisfied.

Capitalized terms used herein but not defined shall have the meanings ascribed to such terms in the Agreement:

The undersigned hereby represents as follows:

1. The Optionee has received and reviewed a copy of the Plan;

2. The Optionee is capable of evaluating the merits and risks of exercising the Option and acquiring the shares of Common Stock and is able to bear the economic risks of such investment;

3. The Optionee has made such investigations as the Optionee deems necessary and appropriate of the business and financial prospects of the Company; and

4. The Optionee is acquiring the shares of Common Stock for investment only and not with a view to resale or other distribution thereof.

The Optionee acknowledges that the Company has made available to the Optionee the opportunity to obtain information to evaluate the merits and risks associated with the Agreement and the transactions contemplated thereby. The Optionee further acknowledges that the investment contemplated by the Option involves a high degree of risk, including risks associated with the Company' s business operations and prospects, the lack of a public market for the shares of Common Stock, and the limitations on the transferability of the Option and the shares of Common Stock.

Optionee acknowledges and agrees that the Company shall cause the legends set forth below or legends substantially equivalent thereto, to be placed upon any certificates evidencing ownership of Common Stock together with any other legends that may be required by federal or state securities laws:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES LAWS OF ANY STATE (THE "OTHER ACTS") AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER THE ACT AND ANY APPLICABLE OTHER ACTS OR, IN THE OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER OF THESE SECURITIES, SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION IS IN COMPLIANCE WITH THE ACT AND ANY APPLICABLE OTHER ACTS.

Date: _____ _____

(Signature of Optionee)

Date received by Radius Health, Inc.: _____

Received by: _____

Note: Shares of Common Stock being delivered in payment of all or any part of the Exercise Price must be represented by certificates registered in the name of the Optionee and duly endorsed by the Optionee and by each and every other co-owner in whose name the shares may also be registered.

OPTION NUMBER: 10-02
OPTIONEE: Alan Auerbach
DATE OF GRANT: October 12, 2010
EXERCISE PRICE: $0.09
COVERED SHARES: 1,765,398, subject to adjustment

RADIUS HEALTH, INC.
2003 LONG-TERM INCENTIVE PLAN

NON-STATUTORY STOCK OPTION AGREEMENT

1. Definitions. In this Agreement, capitalized terms used herein and not defined elsewhere herein shall have the following meanings:

1.1 "Affiliate" means a corporation, partnership, business trust, limited liability company or other form of business organization at least a majority of the total combined voting power of all classes of stock or other equity interests of which is owned by the Company either directly or indirectly.

1.2 "Agreement" means this Non-Qualified Stock Option Agreement.

1.3 "Applicable Option Shares" means, as of the time of the closing (or, if there are multiple closings, any closing) in connection with the Special Financing, the sum of (i) the shares of Common Stock issued, or subject to issuance (regardless of whether vested or unvested), upon the exercise of the stock option exercisable for up to 2,084,602 shares of Common Stock (subject to adjustment as provided therein and upon any stock splits, stock dividends issued, reverse stock splits and other similar events) pursuant to, and in accordance with, the terms of that certain Non-Statutory Stock Option Agreement, dated of even date herewith, between the Company and the Optionee and (ii) the shares of Common Stock issued, or subject to issuance (regardless of whether vested or unvested), upon the exercise of the stock option evidenced by this Agreement (such shares of Common Stock being subject to (x) adjustment upon any stock splits, stock dividends issued, reverse stock splits and other similar events, (y) all adjustments, if any, made at or prior to such time pursuant to Section 4.1 and (z) subject to all adjustments, if any, made prior to such time pursuant to Section 4.2 (but without giving effect to any adjustment at such time pursuant to Section 4.2)).

1.4 "Applicable Post-Closing Fully Diluted Shares" means, as of the time of the closing (or, if there are multiple closings, any closing) in connection with the Special Financing, (i) the number of shares of Common Stock issued and outstanding immediately prior to such time (calculated on a fully diluted basis assuming the conversion into, or exercise for, Common Stock of any and all then outstanding securities of the Company that are convertible into, or exercisable for, Common Stock in accordance with the respective terms of such securities after giving effect to (1) any stock split, stock dividend issued, reverse stock split and other similar event that becomes effective at such time and (2) any forced conversion or other

---

restructuring of the capital structure of the Company that becomes effective at such time as a result of, or in connection with, the application of any pay-to-play or similar type of provisions, but excluding from this clause (i) any shares of Common Stock issuable upon exercise of any stock options granted by the Company to the Optionee), plus (ii) the number of shares of Common Stock available at that time for future grant of stock options or other equity incentive awards under the Company' s equity incentive plans, plus (iii) the sum of (x) the number of shares of Common Stock that the Company is selling and issuing at such time to investors pursuant to the Special Financing, (y) the number of shares of Common Stock, if any, that the Company has sold and issued prior to such time to investors pursuant to the Special Financing and (z) the

number of shares of Common Stock, if any, that the Company is legally required to sell and issue after such time to investors pursuant to the Special Financing (the number of shares of Common Stock referred to in the foregoing clauses (x)-(z) shall be calculated (1) assuming the conversion into, or exercise for, Common Stock of any and all securities sold and issued or to be sold and issued by the Company to investors pursuant to the Special Financing that are convertible into, or exercisable for, Common Stock in accordance with the respective terms of such securities and (2) making proportionate and equitable adjustments upon any stock splits, stock dividends issued, reverse stock splits and other similar events) and plus (iv) the Applicable Option Shares.

1.5 "Board" means the Board of Directors of the Company.

1.6 "Cause" means the Optionee' s (a) failure to substantially perform his duties (other than by reason of Disability) with respect to the Company or any of its Affiliates, (b) engaging in conduct known by the Optionee or that reasonably should be known by the Optionee to be injurious to the Company or any of its Affiliates, (c) breach of fiduciary duty to the Company or any of its Affiliates, (d) dishonesty, fraud, alcohol or illegal drug abuse, or misconduct with respect to the business or affairs of the Company or any of its Affiliates, (e) willful violation of the policies of the Company or any of its Affiliates, or (f) conviction of a felony or crime involving moral turpitude. All determinations of Cause hereunder shall be made by the Committee in its discretion and shall be binding for all purposes hereunder.

1.7 "Change of Control" means (a) any merger or consolidation of the Company with or into another person or entity, other than a merger or consolidation in which the holders of capital stock of the Company immediately prior to such merger or consolidation will hold more than fifty percent (50%) of the capital stock or equity interests of the surviving corporation or the surviving entity, as the case may be, immediately after such merger or consolidation, or (b) any sale, transfer or other disposition of all or substantially all the assets of the Company to one or more persons or entities in a single transaction or a series of related transactions.

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

1.9 "Committee" means the committee(s), subcommittee(s), or person(s) charged, pursuant to the provisions of the Plan, with the administration of the Plan.

1.10 "Common Stock" means the common stock, par value $.01 per share, of

the Company.

1.11 "Company" means Radius Health, Inc., a Delaware corporation, and any successor thereto.

1.12 "Covered Shares" means 1,765,398 shares of Common Stock, subject to adjustment pursuant to, and in accordance with, Section 4 hereof.

1.13 "Date of Exercise" means the date on which the Company receives notice pursuant to Section 5.2 of the exercise, as a whole or in part, of the Option.

1.14 "Date of Expiration" means the date on which the Option shall expire, which shall be the earliest of the following times:

(a) the date of the first notification to the Optionee that the Optionee' s Service is terminated by the Company or an Affiliate for Cause;

(b) thirty (30) days after termination of the Optionee' s Service for any reason other than by the Company or an Affiliate for Cause, death or Disability; provided, however, that if the Optionee dies within thirty (30) days of such termination, the Option shall be exercisable for a period of one (1) year after such termination;

(c) three (3) years after termination of the Optionee' s Service with the Company or an Affiliate by reason of death or Disability; or

(d) ten (10) years after the Date of Grant.

1.15 "Date of Grant" means the date set forth at the beginning of this Agreement.

1.16 "Disability" means the Optionee' s (a) total and permanent disability under any long-term disability plan or policy of the Company and/or its Affiliates in which the Optionee participates such that the Optionee becomes entitled to long-term disability payments thereunder, or (b) in the absence of any such plan or policy, a good faith determination by the Board that the Optionee is permanently and totally disabled.

1.17 "Exercise Price" means the dollar amount per share of Common Stock set forth on page 1 of this Agreement, as it may be adjusted from time to time pursuant to Section 4 hereof.

1.18 "Fair Market Value" means, (a) if the Common Stock is traded on a securities exchange or automated dealer quotation system, at the Committee' s election, either (i) the last sale price for a share, as of the relevant date, on such securities exchange or automated dealer quotation system as reported by such source as the Committee may select, or (ii) the average of the closing prices of the Common Stock on such exchange or quotation system for the ten (10) trading days immediately preceding the relevant date, or (b) if the Common Stock is not traded on a securities exchange or automated dealer quotation system, an

amount equal to the then fair market value of a Share as determined by the Committee pursuant to a reasonable method adopted in good faith for such purpose.

1.19 "Family Member" means a person who is (a) an ancestor, descendant, sibling or spouse of the Optionee, (b) determined by the Committee, in its sole discretion, to be a family member of the Optionee, or (c) a trust for the benefit of person(s) identified in the foregoing clause (a) or clause (b) hereof.

1.20 "Financing Event Vested" means, with respect to those Covered Shares that have not been issued at any particular time (including at any time the Option is exercised) and remain subject to the Option, the number of such Covered Shares that are equal to the product of (x) such Covered Shares and (y) a fraction, the numerator of which is the number of shares of Common Stock that the Company has actually sold and issued at or prior to such time to investors pursuant to the Special Financing (calculated (i) assuming the conversion into, or exercise for, Common Stock of any and all securities sold and issued by the Company to investors pursuant to the Special Financing that are convertible into, or exercisable for, Common Stock and (ii) making proportionate and equitable adjustments upon any stock splits, stock dividends issued, reverse stock splits and other similar events), and the denominator of which shall be the Maximum Special Financing Shares. Notwithstanding the foregoing, no Covered Shares that are not Financing Event Vested at the time of the termination by the Company or its stockholders of Optionee' s Service for Cause shall become Financing Event Vested at any time after any such termination of Optionee' s Service.

1.21 "Maximum Special Financing Shares" means the maximum aggregate number of shares of Common Stock that the Company commits to sell and issue to investors in connection with the Special Financing pursuant to the definitive agreements executed and delivered by the Company at or prior to the first closing of the Special Financing. For purposes of this definition, (x) all of such shares of Common Stock shall be calculated assuming the conversion into, or exercise for, Common Stock of any and all securities that the Company has agreed to sell and issue to investors in connection with the Special Financing pursuant to definitive agreements executed and delivered by

the Company at or prior to the first closing of the Special Financing and (y) all of such shares of Common Stock shall be subject to proportionate and equitable adjustment upon any stock split, stock dividend issued, reverse stock split and other similar events.

1.22 "Option" means the stock option granted to the Optionee in Section 2 of this Agreement.

1.23 "Option Period" means the period specified in Section 3.2 hereof.

1.24 "Optionee" means the person identified on page 1 of this Agreement.

1.25 "Plan" means the Radius Health, Inc. 2003 Long-Term Incentive Plan, as amended from time to time.

1.26 "Service" means, if the Optionee is (a) an employee of the Company and/or any of its Affiliates (as determined by the Committee in its discretion), the Optionee' s

service as an employee of the Company and/or any of its Affiliates, (b) a member of the Board of Directors of the Company or any of its Affiliates but not an employee of the Company or any of its Affiliates (as determined by the Committee in its discretion), the Optionee' s service as a member of such Board of Directors, or (c) a consultant or independent contractor to the Company or any of its Affiliates (as determined by the Committee in its discretion) and is not described in the preceding clause (b), the Optionee' s service as a consultant or independent contractor to the Company and/or any of its Affiliates. The Optionee' s Service shall not be treated as having terminated if the capacity in which the Optionee provides Service, as described in the preceding sentence, changes, provided that the Optionee' s Service is continuous notwithstanding such change.

1.27 "Special Financing" means the first private equity financing consummated by the Company at any time during the period commencing on October 13, 2010 and ending on the earlier of (i) October 13, 2011, (ii) the date that the Company consummates its initial public offering and (iii) the date of the closing of any Change of Control. In the event that any such first private equity financing has multiple closings then such first private equity financing shall be deemed consummated for purposes of this definition at the time of the first closing in connection therewith.

1.28 "Time Vested" means, with respect to the Covered Shares at any particular time (including at any time the Option is exercised), the number of the Covered Shares that have become time vested in accordance with the Vesting Schedule; provided, however, that (A) upon a Change of Control that occurs prior to the termination of Optionee' s Service for any reason, all of the Covered Shares that are not then Time Vested shall automatically become Time Vested, and (B) upon a termination by the Company or its stockholders of the Optionee' s Service without Cause, all of the Covered Shares that are not then Time Vested shall automatically become Time Vested.

1.29 "Vesting Schedule" means the following schedule which consists of the time vesting requirement applicable to the Covered Shares: the Covered Shares shall become time vested over twelve (12) quarterly installments, each quarterly installment being as equal in number of shares as possible (as determined by the Company in its reasonable discretion), with the first quarterly installment vesting on January 1, 2011, and an additional quarterly installment vesting on the first day of each calendar quarter thereafter, until all of the Covered Shares are fully vested and the Option may be exercised as to 100% of the Covered Shares. Notwithstanding the foregoing, no Covered Shares shall become time vested at any time after the termination of Optionee' s Service for any reason (except to the extent otherwise provided in the definition of Time Vested in the event that the Company or its stockholders terminate the Optionee' s Service without Cause).

1.30 "Vested Covered Shares" means, at the relevant time of reference thereto (including at any time the Option is exercised), that number of the Covered Shares that are, at such time, both (A) Time Vested and (B) Financing Event Vested.

2. Grant of Option. Pursuant to the Plan and subject to the terms of this Agreement, the Company hereby grants to the Optionee, as of the Date of Grant, the Option to purchase

from the Company the Covered Shares, exercisable at the Exercise Price.

3. Terms of the Option.

3.1 Type of Option. The Option is a non-statutory stock option.

3.2 Option Period. Subject to the terms and conditions set forth in this Agreement, the Option may be exercised only during the period commencing on the Date of Grant and terminating on the Date of Expiration and only with respect to those Covered Shares for which the Option may be exercised at any time and from time to time during such period pursuant to, and in accordance with, the provisions of Section 5.1 hereof.

3.3 Nontransferability.

(a) Except as set forth in Section 3.3(b), the Option is not transferable by the Optionee other than by will or by the laws of descent and distribution, and is exercisable, during the Optionee' s lifetime, only by the Optionee, or, in the event of the Optionee' s legal disability, by the Optionee' s legal representative.

(b) Notwithstanding any other provision of this Agreement, the Optionee may transfer, not for value, all or part of the Option (the transferred Option or portion thereof being referred to herein as the "Transferred Option") to any Family Member (a "Qualified Transferee"); provided, however, that no transfer may be made unless the Optionee and the Qualified Transferee have made arrangements satisfactory to the Committee for satisfaction of any federal, state and local withholding tax requirements. For the purpose of this Section 3.3(b), a "not for value" transfer is a transfer that is (i) a gift or (ii) a transfer under a domestic relations order in settlement of marital property rights. Following any transfer under this Section 3.3(b), the Transferred Option shall continue to be subject to the same terms and conditions as were applicable immediately prior to transfer, such that, for example, (i) the Option Period applicable to the Qualified Transferee shall expire upon termination of the Optionee' s Service for Cause in accordance with Section 3.2 herein, and (ii) any exercise of the Transferred Option by the Qualified Transferee must be in accordance with the procedures set forth in Section 3.4 and Section 5 hereof. Subsequent transfers of the Transferred Option (or any portion thereof) by the Qualified Transferee are prohibited, except to Family Members of the Optionee in accordance with this Section 3.3(b) or by will or the laws of descent and distribution.

3.4 Payment of the Exercise Price. The Optionee, upon exercise, as a whole or in part, of the Option, shall pay the Exercise Price, which payment maybe made by any or all of the following means, either alone or in combination:

(a) cash or check payable to the order of the Company;

(b) if, at the time of exercise, the Common Stock is listed for trading on a national securities exchange or automated dealer quotation system delivery (either actual or constructive), surrender to the Company of such number of shares of unencumbered Common

Stock (provided that such shares, if acquired under the Option or under any other option or award granted under the Plan or any other plan sponsored or maintained by the Company, have been held by the Optionee for at least six (6) months) that have an aggregate Fair Market Value on the Date of Exercise equal to that portion of the Exercise Price being paid by delivery of such shares; or

(c) if, at the time of exercise, the Common Stock is listed for trading on a national securities exchange or automated dealer quotation system and in accordance with such rules as may be specified by the Committee, delivery to the Company of a

properly executed exercise notice and irrevocable instructions to a registered securities broker promptly to deliver to the Company cash equal to the Exercise Price for that portion of the Option being exercised.

4. Adjustments.

4.1 Capital Adjustments. The number of Covered Shares as to which the Option has not been exercised, the Exercise Price, and the type of stock or other consideration to be received on exercise of the Option shall be subject to proportionate and equitable adjustment to reflect such events as stock dividends issued, split-ups, spin-offs, recapitalizations, reclassifications, combinations or exchanges of shares, mergers, consolidations, liquidations, and the like, of or by the Company.

4.2 Special Financing Adjustments. In the event that, simultaneously with the closing (or, if there are multiple closings, any closing) in connection with the Special Financing, the Applicable Option Shares represent more than one percent (1%) of the Applicable Post-Closing Fully Diluted Shares, then the number of Covered Shares shall be reduced by a number of shares (in each case, the "Number of Reduced Shares") such that the quotient (expressed as a percentage) obtained by dividing (A) the Applicable Option Shares less the Number of Reduced Shares by (B) Applicable Total Post-Closing Shares less the Number of Reduced Shares, is equal to one percent (1%).

5. Exercise.

5.1 Exercisability. The Option may be exercised at any time, and from time to time, during the Option Period, with respect to any or all of those Covered Shares that are Vested Covered Shares at the time of the exercise of the Option; provided, that (i) in no event shall any such exercise be for less than one hundred (100) Covered Shares or, if the number of Covered Shares remaining subject to the Option total less than one hundred (100), such total remaining shares; and (ii) any exercise of the Option shall be in whole shares.

5.2 Notice. Subject to Section 5.1, the Option shall be exercised by the delivery to the Company of written notice of such exercise, in such form as the Committee may from time to time prescribe, accompanied by full payment (or means of full payment permitted by Section 3.4 hereof) of the Exercise Price with respect to that portion of the Option being exercised. Until the Committee notifies the Optionee to the contrary, the form attached to this

Agreement as Exhibit A shall be used to exercise the Option.

5.3 Withholding. The Company' s obligation to deliver shares of Common Stock upon the exercise of the Option shall be subject to the satisfaction of any applicable federal, state and local tax withholding requirements. The Optionee may satisfy any such withholding obligation by any of the following means or by a combination of such means: (a) tendering a cash payment; (b) if at the time the withholding obligation arises, the Common Stock is listed for trading on a national securities exchange or automated dealer quotation system, authorizing the Company to withhold shares of Common Stock from the shares otherwise issuable to the Optionee upon exercise of the Option; or (c) if at the time the withholding obligation arises, the Common Stock is listed for trading on a national securities exchange or automated dealer quotation system, delivering to the Company already-owned and unencumbered shares of Common Stock. For purposes of this Section 5.3, shares of Common Stock that are withheld or delivered to satisfy applicable withholding taxes shall be valued at their Fair Market Value on the date the withholding tax obligation arises, and in no event shall the aggregate Fair Market Value of the shares of Common Stock withheld and/or delivered pursuant to this Section 5.3 exceed (the minimum amount of taxes required to be withheld in connection with exercise of the Option.

5.4 Effect. The exercise, as a whole or in part, of the Option shall cause a reduction in the number of Covered Shares as to which the Option may be exercised in an amount equal to the number of shares of Common Stock as to which the Option is exercised.

6. Representations. The Optionee hereby represents and warrants that the Optionee has received and reviewed a copy of the Plan. The Optionee agrees that, upon the issuance of any shares of Common Stock upon the exercise of the Option, the Optionee will, upon the request of the Company, represent and warrant in writing that the Optionee (a) has received and reviewed a copy of the Plan; (b) is capable

of evaluating the merits and risks of exercising the Option and acquiring the shares and able to bear the economic risks of such investment; (c) has made such investigation as he or she deems necessary and appropriate of the business and financial prospects of the Company; and (d) is acquiring the shares for investment only and not with a view to resale or other distribution thereof. The Optionee shall make such other representations and warranties that the Committee may request for the purpose of complying with applicable law.

7. Reserved.

8. Legends. The Optionee agrees that the certificates evidencing the shares of Common Stock issued upon exercise of the Option may include any legend which the Committee deems appropriate to reflect the transfer and other restrictions contained in the Plan, this Agreement or to comply with applicable laws.

9. Rights as Stockholder. The Optionee shall have no rights as a stockholder with respect to any shares of Common Stock subject to the Option until and unless a certificate or certificates representing such shares are issued to the Optionee pursuant to

this Agreement.

10. Service. Neither the grant of the Option evidenced by this Agreement nor any term or provision of this Agreement shall constitute or be evidence of any understanding, express or implied, on the part of the Company to employ or retain the Optionee for any period.

11. Subject to the Plan. The Option evidenced by this Agreement and the exercise thereof are subject to the terms and conditions of the Plan, which is incorporated by reference and made a part hereof, but the terms of the Plan shall not be considered an enlargement of any rights or benefits under this Agreement. In addition, the Option is subject to any rules and regulations promulgated by the Committee.

12. Governing Law. The validity, construction, interpretation and enforceability of this Agreement shall be determined and governed by the laws of the State of Delaware without giving effect to the principles of conflicts of laws.

13. Severability. If any provision of this Agreement shall be held to be invalid, illegal or unenforceable in any material respect, such provision shall be replaced with a provision that is as close as possible in effect to such invalid, illegal or unenforceable provision, and still be valid, legal and enforceable, and the validity, legality and enforceability of the remainder of this Agreement shall not in any way be affected or impaired thereby.

IN WITNESS WHEREOF, the Company has caused this Agreement to be signed on its behalf by the undersigned, thereunto duly authorized, effective as of the Date of Grant.

ATTEST: RADIUS HEALTH, INC.

/s/ B. Nicholas Harvey By: /s/ C. Richard Lyttle

Accepted and agreed to as of the Date of Grant:

/s/ Alan Auerbach

ALAN AUERBACH

"EXHIBIT A"
EXERCISE OF OPTION

Board of Directors
Radius Health, Inc.

,

Gentlemen:

The undersigned, the Optionee under the Non-Statutory Stock Option Agreement ("Agreement") identified as Option No. granted pursuant to the Radius Health, Inc. 2003 Long-Term Incentive Plan, hereby irrevocably elects to exercise the Option granted in the Agreement to purchase shares of Common Stock of Radius Health, Inc., par value $0.01 per share (the "Option Shares"), and herewith makes payment of $ in the form of (check all that apply and if more than one is checked, indicate the amount to be paid by each payment method):

☐ Cash or Check:

☐ Common Stock:*

☐ Brokerage Transaction: *

The undersigned hereby elects to satisfy applicable withholding requirements by (check all that apply and, if more than one is checked, indicate the amount to be withheld by each withholding method):

☐ Cash or Check:

☐ Withholding of Common Stock: *

☐ Delivery of Common Stock: *

* Applicable only if the Common Stock is listed on a national securities exchange or an automated dealer quotation system and the requirements of Section 3.4(c) or 5.2, as applicable, of the Agreement are satisfied.

Capitalized terms used herein but not defined shall have the meanings ascribed to such terms in the Agreement:

The undersigned hereby represents as follows:

1. The Optionee has received and reviewed a copy of the Plan;

2. The Optionee is capable of evaluating the merits and risks of exercising the Option and acquiring the shares of Common Stock and is able to bear the economic risks of such investment;

3. The Optionee has made such investigations as the Optionee deems necessary and appropriate of the business and financial prospects of the Company; and

4. The Optionee is acquiring the shares of Common Stock for investment only and not with a view to resale or other distribution thereof.

The Optionee acknowledges that the Company has made available to the Optionee the opportunity to obtain information to evaluate the merits and risks associated with the Agreement and the transactions contemplated thereby. The Optionee further acknowledges that the investment contemplated by the Option involves a high degree of risk, including risks associated with the Company' s business operations and prospects, the lack of a public market for the shares of Common Stock, and the limitations on the transferability of the Option and the shares of Common Stock.

Optionee acknowledges and agrees that the Company shall cause the legends set forth below or legends substantially equivalent thereto, to be placed upon any certificates evidencing ownership of Common Stock together with any other legends that may be required by federal or state securities laws:

> THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES LAWS OF ANY STATE (THE "OTHER ACTS") AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER THE ACT AND ANY APPLICABLE OTHER ACTS OR, IN THE OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER OF THESE SECURITIES, SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION IS IN COMPLIANCE WITH THE ACT AND ANY APPLICABLE OTHER ACTS.

Date: _____ _____

(Signature of Optionee)

Date received by Radius Health, Inc.: _____

Received by: _____

Note: Shares of Common Stock being delivered in payment of all or any part of the Exercise Price must be represented by certificates registered in the name of the Optionee and duly endorsed by the Optionee and by each and every other co-owner in whose name the shares may also be registered.

November 7, 2011

John Reynolds
Assistant Director
U.S. Securities and Exchange Commission
Division of Corporate Finance
100 F Street, N.E .
Washington, D.C. 205490-6010

Re: Radius Health, Inc.
Amendment No. 5 to the Company' s Current Report on Form 8-K
Filed October 27, 2011
File No. 000-53173

Dear Mr. Reynolds:

In connection with the response letter dated November 7, 2011 submitted on our behalf, Radius Health, Inc., a Delaware corporation (the "Company"), in response to the comments of the staff of the U.S. Securities and Exchange Commission (the "Commission") that were contained in your letter dated November 4, 2011, the Company hereby acknowledges that:

- the Company is responsible for the adequacy and accuracy of the disclosure in the Form 8-K;
- staff comments or changes to disclosure in response to staff comments do not foreclose the Commission from taking any action with respect to the Form 8-K; and
- the Company may not assert staff comments as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

Should you wish to discuss the foregoing at any time, please do not hesitate to contact Julio E. Vega (617-951-8901) or Matthew J. Cushing (617-951-8439) of Bingham McCutchen LLP or the undersigned, the Chief Financial Officer of the Company, at (617) 444-1834.

Very truly yours,

/s/ B. Nicholas Harvey

B. Nicholas Harvey

cc: Erin Wilson, *Securities and Exchange Commission*
Pamela Howell, *Securities and Exchange Commission*
Brian McAllister, *Securities and Exchange Commission*
Tia Jenkins, *Securities and Exchange Commission*
C. Richard Lyttle, *Radius Health, Inc.*
Julio E. Vega, *Bingham McCutchen LLP*
Matthew J. Cushing, *Bingham McCutchen LLP*