

Sample Connecticut Presence and Repurchase Obligation

Notwithstanding any other provision of this Agreement, as long as CI owns all or any portion of any Warrant, any Shares, any Note or any other securities of the Company that are not freely saleable to the public pursuant to a public registration (including until the expiration of any applicable underwriter's lock-up agreement to which CI is a party) or pursuant to Rule 144(k) under the Securities Act, the Company shall not relocate (as that term is defined in Section 32-5a of the Connecticut General Statutes) outside of the State of Connecticut and shall maintain a Connecticut Presence (as defined in this Section 2.4).

A "**Connecticut Presence**" shall mean, collectively, (a) maintaining the Company's principal place of business with respect to its U.S.-based operations in the State of Connecticut, and (b) basing a majority of its U.S.-based employees and those of its U.S.-based subsidiaries in the State of Connecticut (which for the avoidance of doubt in determining the number of employees shall not include any individual independent contractors, consultants or service providers which are self-employed or employed by any person or entity other than the Company), and (c) basing a majority of its U.S.-based operational functions (other than those functions that, in accordance with the Company's business model or characteristics of the Company's products, are located in the locale of customers or collaborators of the Company), including customer service and research and development, in the State of Connecticut, and (d) conducting a majority of its U.S.-based administrative functions in the State of Connecticut. Collectively, (a), (b), (c) and (d) define a "**Connecticut Presence**".

It is expressly acknowledged and understood by the parties that the Company intends to enter into business and produce and/or commercialize its products in countries other than the United States and because of issues including, but not limited to, different product needs in different countries, potential fragility of some of its products and advantages of having research and development personnel work in close proximity to its customers, the Company deems it necessary to establish subsidiaries, as appropriate, and to build appropriate managerial, research and development, manufacturing and sales and marketing infrastructure in countries other than the United States and that building of such infrastructure to any extent deemed necessary by the Company and/or its subsidiaries shall be permitted under the definition of a "**Connecticut Presence**".

Upon the failure to maintain a Connecticut Presence, CI's sole and exclusive remedy shall be to require redemption of any and all Notes, Shares and Warrants for the applicable Put Price (as defined below) as to each such Warrant Right, Share or Note. "**Put Price**" means, at any date: (a) as to any promissory note issued by the Company and held by CII (a "**Note**"), the then entire outstanding principal amount of, and accrued and unpaid interest on, such Note, as well as a prepayment premium in an amount sufficient to provide an annually compounding rate of

return of twelve percent (12%) per annum (the “**Required Rate of Return**”) on the advanced principal amount under such Note (even if not then-outstanding) for the period of time from the date of issuance of such Note through and including the date when the full Put Price is paid to CII with respect to such Note; and (b) as to any outstanding share of the Company’s capital stock held by CII (the “**Shares**”), the greater of (i) the fair market value of such Share and (ii) an amount equal to the aggregate amount of money paid by CII to the Company to purchase such Share plus an amount calculated to yield to CII the Required Rate of Return on such money from the date of each such payment through and including the date when the full Put Price is paid to CII with respect to such Share; and (c) as to any warrant or option to purchase the Company’s capital stock and held by CII (the “**Warrants**”), the excess, if any, the fair market value of a Share issuable under such Warrant over (ii) the exercise price of a Share under such Warrant (as determined under the applicable Warrant, in each case taking into account the applicable conversion ratio of a preferred share to a common share if such Share is a preferred share, as of such date.

For purposes of determining whether the Company is in compliance with this Connecticut Presence covenant, the assets, revenues and employees of any business acquired by the Company on an arm’s-length basis from a non-affiliate of the Company (provided such acquired business had been operating for at least one (1) year prior to the acquisition) shall be excluded and disregarded. In addition, it shall not constitute a violation of this covenant, and this covenant shall be of no further force or effect, if the Company ceases to maintain a Connecticut Presence by virtue of an acquisition of the Company in connection with which CII receives a liquidation distribution with respect to, or cash, securities or other property in exchange for, all of the Shares and Warrants held by CII on substantially the same terms as the other holders of the same type of Shares and Warrants and receives full repayment of all Notes (a “**Change of Control Transaction**”).