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As confidentially submitted to the Securities and Exchange Commission on [ ], 2018, as Amendment No. 1 to the confidential submission. This draft registration statement has not been publicly filed with the Securities and Exchange Commission and all information herein remains confidential.

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-1

REGISTRATION STATEMENT
Under
The Securities Act of 1933

SCHOLAR ROCK HOLDING CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**2836**	**82-3750435**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

620 Memorial Drive, 2nd Floor
Cambridge, MA 02139
(857) 259-3860
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Nagesh K. Mahanthappa
President and Chief Executive Officer
620 Memorial Drive, 2nd Floor
Cambridge, MA 02139
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies of all communications, including communications sent to agent for service, should be sent to:

Kingsley L. Taft **Laurie A. Burlingame** **Goodwin Procter LLP** **100 Northern Avenue** **Boston, Massachusetts 02210** **(617) 570-1000**	**Junlin Ho** **Scholar Rock Holding Corporation** **620 Memorial Drive, 2nd Floor** **Cambridge, MA 02139** **(857) 259-3860**	**Marc A. Recht** **Brent B. Siler** **Nicole C. Brookshire** **Alison A. Haggerty** **Cooley LLP** **500 Boylston St.** **Boston, MA 02116** **(617) 937-2300**

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

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

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

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

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

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

Large Accelerated Filer o	Accelerated Filer o	Non-Accelerated Filer ☒ (Do not check if a smaller reporting company)	Smaller Reporting Company o Emerging Growth Company ☒

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

CALCULATION OF REGISTRATION FEE

Title of each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price(1)(2)	Amount of Registration Fee
Common Stock, par value $0.001 per share		

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended.

(2) Includes the offering price of shares that the underwriters may purchase pursuant to an option to purchase additional shares.

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

Explanatory Note

Scholar Rock Holding Corporation has prepared this Amendment No. 1 to the Draft Registration Statement on Form S-1 that was confidentially submitted to the Securities and Exchange Commission on March 23, 2018 (the "Draft Registration Statement") solely for the purposes of filing Exhibits 10.6, 10.13 and 10.14 to the Draft Registration Statement and making corresponding updates to Item 16 and the Exhibit Index. This Amendment No. 1 does not modify any provision of the Prospectus that forms Part I of the Registration Statement and accordingly such Prospectus has not been included herein.

PART II

Information Not Required in Prospectus

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth the costs and expenses, other than the underwriting discounts and commissions, payable by the registrant in connection with the sale of common stock being registered. All amounts are estimates except for the

	Amount to be Paid
SEC registration fee	$ *
FINRA filing fee	*
Nasdaq Global Market listing fee	*
Printing and mailing	*
Legal fees and expenses	*
Accounting fees and expenses	*
Transfer agent and registrar fees and expenses	*
Miscellaneous expenses	*
Total	$ *

* To be completed by amendment.

Item 14. Indemnification of Directors and Officers.

Section 145 of the Delaware General Corporation Law or the DGCL, authorizes a corporation to indemnify its directors and officers against liabilities arising out of actions, suits and proceedings to which they are made or threatened to be made a party by reason of the fact that they have served or are currently serving as a director or officer to a corporation. The indemnity may cover expenses (including attorneys' fees) judgments, fines and amounts paid in settlement actually and reasonably incurred by the director or officer in connection with any such action, suit or proceeding. Section 145 permits corporations to pay expenses (including attorneys' fees) incurred by directors and officers in advance of the final disposition of such action, suit or proceeding. In addition, Section 145 provides that a corporation has the power to purchase and maintain insurance on behalf of its directors and officers against any liability asserted against them and incurred by them in their capacity as a director or officer, or arising out of their status as such, whether or not the corporation would have the power to indemnify the director or officer against such liability under Section 145.

We have adopted provisions in our certificate of incorporation to be in effect upon the completion of this offering and by-laws to be in effect upon the effectiveness of this registration statement that limit or eliminate the personal liability of our directors to the fullest extent permitted by the DGCL, as it now exists or may in the future be amended. Consequently, a director will not be personally liable to us or our stockholders for monetary damages or breach of fiduciary duty as a director, except for liability for:

- § any breach of the director's duty of loyalty to us or our stockholders;
- § any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- § any unlawful payments related to dividends or unlawful stock purchases, redemptions or other distributions; or
- § any transaction from which the director derived an improper personal benefit.

These limitations of liability do not alter director liability under the federal securities laws and do not affect the availability of equitable remedies such as an injunction or rescission.

In addition, our bylaws provide that:

- we will indemnify our directors, officers and, in the discretion of our board of directors, certain employees to the fullest extent permitted by the DGCL, as it now exists or may in the future be amended; and
- we will advance reasonable expenses, including attorneys' fees, to our directors and, in the discretion of our board of directors, to our officers and certain employees, in connection with legal proceedings relating to their service for or on behalf of us, subject to limited exceptions.

We have entered into indemnification agreements with each of our directors and intend to enter into such agreements with certain of our executive officers. These agreements provide that we will indemnify each of our directors, certain of our executive officers and, at times, their affiliates to the fullest extent permitted by Delaware law. We will advance expenses, including attorneys' fees (but excluding judgments, fines and settlement amounts), to each indemnified director, executive officer or affiliate in connection with any proceeding in which indemnification is available and we will indemnify our directors and officers for any action or proceeding arising out of that person's services as a director or officer brought on behalf of us or in furtherance of our rights. Additionally, certain of our directors or officers may have certain rights to indemnification, advancement of expenses or insurance provided by their affiliates or other third parties, which indemnification relates to and might apply to the same proceedings arising out of such director's or officer's services as a director referenced herein. Nonetheless, we have agreed in the indemnification agreements that our obligations to those same directors or officers are primary and any obligation of such affiliates or other third parties to advance expenses or to provide indemnification for the expenses or liabilities incurred by those directors are secondary.

We also maintain general liability insurance which covers certain liabilities of our directors and officers arising out of claims based on acts or omissions in their capacities as directors or officers, including liabilities under the Securities Act of 1933, as amended, or the Securities Act.

The underwriting agreement filed as Exhibit 1.1 to this registration statement provides for indemnification of us and our directors and officers by the underwriters against certain liabilities under the Securities Act and the Securities Exchange Act of 1934.

Item 15. Recent Sales of Unregistered Securities.

In the three years preceding the filing of this registration statement, we have issued the following securities that were not registered under the Securities Act:

(a) Reorganization and Issuance of Convertible Preferred Stock

Reorganization

In connection with the Reorganization:

- Holders of Scholar Rock, LLC outstanding Series B convertible preferred units received one share of Scholar Rock Holding Corporation Series B convertible preferred stock for each Series B convertible preferred unit held immediately prior to the Reorganization, with an aggregate of 13,526,994 shares of Scholar Rock Holding Corporation Series B convertible Preferred stock issued in the Reorganization;
- Holders of Scholar Rock, LLC outstanding Series A-4 convertible preferred units received one share of Scholar Rock Holding Corporation Series A-4 convertible preferred stock for each Series A-4 convertible preferred unit held immediately prior to the Reorganization, with an aggregate of 3,906,738 shares of Scholar Rock Holding Corporation Series A-4 convertible preferred stock issued in the Reorganization;

- Holders of Scholar Rock, LLC outstanding Series A-3 convertible preferred units received one share of Scholar Rock Holding Corporation Series A-3 convertible preferred stock for each Series A-3 convertible preferred unit held immediately prior to the Reorganization, with an aggregate of 5,579,709 shares of Scholar Rock Holding Corporation Series A-3 convertible preferred stock issued in the Reorganization;

- Holders of Scholar Rock, LLC outstanding Series A-2 convertible preferred units received one share of Scholar Rock Holding Corporation Series A-2 convertible preferred stock for each Series A-2 convertible preferred unit held immediately prior to the Reorganization, with an aggregate of 5,066,915 shares of Scholar Rock Holding Corporation Series A-2 convertible preferred stock issued in the Reorganization;

- Holders of Scholar Rock, LLC outstanding Series A-1 convertible preferred units received one share of Scholar Rock Holding Corporation Series A-1 convertible preferred stock for each Series A-1 convertible preferred unit held immediately prior to the Reorganization, with an aggregate of 2,000,000 shares of Scholar Rock Holding Corporation Series A-1 convertible preferred stock issued in the Reorganization;

- Holders of Scholar Rock, LLC outstanding common units received one share of Scholar Rock Holding Corporation common stock for each common unit held immediately prior to the Reorganization, with an aggregate of 4,576,500 shares of common stock issued in the Reorganization; and

- Holders of Scholar Rock, LLC outstanding vested and unvested incentive units, irrespective of any strike price or voting rights on any such outstanding incentive units, exchanged such units for an equal number of shares of common stock or restricted common stock, respectively. The restricted common stock was issued with the same vesting terms as the unvested incentive units held immediately prior to the Reorganization. An aggregate of 6,758,945 shares of restricted common stock and common stock were issued to the prior holders of incentive units in the Reorganization. The restricted common stock was issued with the same vesting terms as the incentive units held immediately prior the Reorganization.

Issuances of Capital Stock

In December 2017, we issued and sold an aggregate of 13,055,555 shares of Series C convertible preferred stock at a purchase price of $3.60 per share, for an aggregate purchase price of $47.0 million to Artal International SCA, Redmile Capital Fund, LP, Redmile Biopharma Investments I, L.P. (and affiliates), Fidelity Mt. Vernon Street Trust: Fidelity Series Growth Company Fund (and affiliates), Cormorant Private Healthcare Fund I, LP (and affiliates), ARCH Venture Fund VIII, L.P., Polaris Venture Partners VI, L.P. (and affiliates), Timothy A. Springer, Ph.D, EcoR1 Capital Fund, LP (and affiliates), KPC Venture Capital, LLC, and JAKII, LLC.

In May 2017, we issued and sold an aggregate of 1,428,209 shares of Series B convertible preferred units at a purchase price of $3.00 per unit, for an aggregate purchase price of $4.3 million to Timothy A. Springer, Ph.D. Series B convertible preferred units converted on a one-to-one basis for Series B convertible preferred stock in connection with the Reorganization.

In December 2015, we issued and sold an aggregate of 12,098,785 Series B convertible preferred units at a purchase price of $3.00 per unit, for an aggregate purchase price of $36.3 million to Fidelity Advisor Biotechnology Fund and affiliates, Cormorant Global Healthcare Master Fund, LP, Arch Venture Fund VII, L.P., Polaris Venture Partners VI, L.P. (and affiliates), TAS Partners, LLC, EcoR1 Capital Fund, LP (and affiliates), KPC Venture Capital, LLC, and JAKII, LLC. Series B convertible preferred units converted on a one-to-one basis for Series B convertible preferred stock in connection with the Reorganization.

No underwriters were involved in the foregoing sales of securities. Unless otherwise stated, the sales of securities described above were deemed to be exempt from registration pursuant to Section 4(a)(2) of the Securities Act, including Regulation D and Rule 506 promulgated thereunder, as transactions by an issuer not involving a public offering. All of the purchasers in these transactions represented to us in connection

with their purchase that they were acquiring the securities for investment and not distribution, that they could bear the risks of the investment and could hold the securities for an indefinite period of time. Such purchasers received written disclosures that the securities had not been registered under the Securities Act and that any resale must be made pursuant to a registration or an available exemption from such registration. All of the foregoing securities are deemed restricted securities for the purposes of the Securities Act.

(b) Grants and Exercises of Stock Options

We have granted stock options to purchase an aggregate of 2,810,156 shares of our common stock, with an exercise price of $2.02 per share, to employees, directors and consultants pursuant to the 2017 Plan. Since March 15, 2018, no shares of common stock have been issued upon the exercise of stock options pursuant to the 2017 Plan.

The issuances of the securities described above were deemed to be exempt from registration pursuant to Section 4(a)(2) of the Securities Act or Rule 701 promulgated under the Securities Act as transactions pursuant to compensatory benefit plans. The shares of common stock issued upon the exercise of options are deemed to be restricted securities for purposes of the Securities Act.

Item 16. Exhibits and Financial Statement Schedules.

(a) Exhibits

Exhibit No.	Exhibit Index
1.1*	Form of Underwriting Agreement
3.1**	Amended and Restated Certificate of Incorporation of the Registrant, as currently in effect
3.2*	Form of Amended and Restated Certificate of Incorporation of the Registrant (to be effective upon the completion of this offering)
3.3**	By-laws of the Registrant, as currently in effect
3.4*	Form of Amended and Restated By-laws (to be effective upon the completion of this offering)
4.1**	Investors' Rights Agreement among the Registrant and certain of its stockholders, dated December 22, 2017
4.2*	Specimen Stock Certificate evidencing shares of common stock
4.3**	Amended and Restated Warrant to Purchase Stock, by and between Silicon Valley Bank and the Registrant, dated December 22, 2017
5.1*	Opinion of Goodwin Procter LLP
10.1#**	2017 Stock Option and Incentive Plan and forms of award agreements thereunder
10.2#*	2018 Stock Option and Incentive Plan and forms of award agreements thereunder
10.3#*	Senior Executive Cash Incentive Bonus Plan
10.4#*	Employee Stock Purchase Plan
10.5#*	Form of Indemnification Agreement
10.6†	Exclusive License Agreement by and between the Registrant, and Children's Medical Center Corporation, dated December 17, 2013

Exhibit No.	Exhibit Index
10.7#**	Offer Letter by and between Nagesh K. Mahanthappa, Ph.D. and the Registrant, dated October 10, 2012
10.8#**	Offer Letter by and between Yung H. Chyung, M.D. and the Registrant, dated February 2, 2016
10.9#**	Offer Letter by and between Elan Z. Ezickson and the Registrant, dated July 17, 2014
10.10#**	Non-Competition, Non-Solicitation, Confidentiality and Assignment Agreement, by Nagesh K. Mahanthappa, dated October 10, 2012
10.11#**	Non-Competition, Non-Solicitation, Confidentiality and Assignment Agreement, by Yung H. Chyung, M.D., dated February 2, 2016
10.12#**	Non-Competition, Non-Solicitation, Confidentiality and Assignment Agreement, by Elan Z. Ezickson, dated July 17, 2014
10.13†	Option and License Agreement by and between the Registrant and Janssen Biotech, Inc., dated December 17, 2013, as amended by Amendment No. 1, dated December 15, 2015
10.14	Lease Agreement by and between 620 Memorial Leasehold LLC and the Registrant, dated March 5, 2015, as amended by the First Amendment dated February 22, 2016 and the Second Amendment dated February 22, 2018
21.1**	Subsidiaries of the Registrant
23.1*	Consent of Ernst and Young, Independent Registered Public Accounting Firm
23.2*	Consent of Goodwin Procter LLP (included in Exhibit 5.1)
24.1*	Power of Attorney (included on the signature page hereto)

* To be included by amendment.

** Previously filed.

† Application has been made to the Securities and Exchange Commission for confidential treatment of certain provisions. Omitted material for which confidential treatment has been requested has been filed separately with the Securities and Exchange Commission.

# Indicates a management contract or any compensatory plan, contract or arrangement.

(b) Financial Statements Schedules:

Schedules have been omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or notes thereto.

Item 17. Undertakings

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, or the Act, may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is therefore unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction

the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

The Registrant hereby undertakes that:

(a) The Registrant will provide to the underwriter at the closing as specified in the underwriting agreement, certificates in such denominations and registered in such names as required by the underwriter to permit prompt delivery to each purchaser.

(b) For purposes of determining any liability under the Act, as amended, the information omitted from a form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in the form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Act, as amended, shall be deemed to be part of this registration statement as of the time it was declared effective.

(c) For the purpose of determining any liability under the Act, as amended, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this Registration Statement on Form S-1 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Boston, Massachusetts, on the day of , 2018.

SCHOLAR ROCK HOLDING CORPORATION

By: _____

Nagesh K. Mahanthappa, Ph.D.
President and Chief Executive Officer, and Director

POWER OF ATTORNEY

Each individual whose signature appears below hereby constitutes and appoints each of Nagesh K. Mahanthappa, Ph.D. and Elan Z. Ezickson as such person's true and lawful attorney-in-fact and agent with full power of substitution and resubstitution, for such person in such person's name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement (or any Registration Statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933), and to file the same, with all exhibits thereto, and all documents in connection therewith, with the Securities and Exchange Commission granting unto each said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as such person might or could do in person, hereby ratifying and confirming all that any said attorney-in-fact and agent, or any substitute or substitutes of any of them, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement and Power of Attorney has been signed by the following person in the capacities and on the date indicated.

Name	Title	Date
Nagesh K. Mahanthappa, Ph.D	President, Chief Executive Officer, and Director (Principal Executive Officer)	, 2018
Elan Z. Ezickson	Chief Operating Officer & Head of Corporate Development (Principal Financial and Accounting Officer)	, 2018
David Hallal	Chairman	, 2018
Kristina Burow	Director	, 2018
Jeffrey S. Flier, M.D.	Director	, 2018
Michael Gilman, Ph.D.	Director	, 2018
Amir Nashat, Sc.D.	Director	, 2018
Timothy A. Springer, Ph.D.	Director	, 2018

QuickLinks

Exhibit 10.6

[***] INDICATES MATERIAL THAT HAS BEEN OMITTED AND FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED. ALL SUCH OMITTED MATERIAL HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO RULE 406 PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1933, AS AMENDED.

EXCLUSIVE LICENSE AGREEMENT BETWEEN

CHILDREN'S MEDICAL CENTER CORPORATION

AND

SCHOLAR ROCK, INC.

[***] INDICATES MATERIAL THAT HAS BEEN OMITTED AND FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED. ALL SUCH OMITTED MATERIAL HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO RULE 406 PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1933, AS AMENDED.

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EXCLUSIVE LICENSE AGREEMENT

This Exclusive License Agreement (this "Agreement") is made and entered into as of the date last written below (the "Effective Date"), by and among CHILDREN'S MEDICAL CENTER CORPORATION, a charitable corporation duly organized and existing under the laws of the Commonwealth of Massachusetts and having Its principal office at 300 Longwood Avenue, Boston, Massachusetts, 02115, U.S.A. (hereinafter referred to as "CMCC"), SCHOLAR ROCK, Inc., a Delaware corporation, and wholly-owned subsidiary of Scholar Rock, LLC ("Parent"), having Its principal office at 300 Third St.,

4th Floor, Cambridge, Massachusetts, 02142, U.S.A. (hereinafter referred to as "Licensee"), and solely with respect to Article IV, Paragraph A 3, Parent. CMCC and Licensee may also be referred to individually as ("Party") or collectively as ("Parties").

WHEREAS, Dr. Timothy Springer a research investigator of Boston Children's Hospital ("BCH"), Dr. Leonard Zon, a research investigator, of BCH along with Dr. Nagesh Mahanthappa are co-inventors of the invention described and claimed in the Patent Rights as defined below; and

WHEREAS, CMCC and Licensee are co-owners of the Patent Rights; and

WHEREAS, CMCC by assignment of all of the rights of Dr. Springer and Dr. Zon, for such Patent Rights has the right to grant its rights exclusively under the Patent Rights to Licensee; and

WHEREAS, as part of Its charitable mission, CMCC desires to have the Patent Rights used to promote the public Interest; and

WHEREAS, Licensee has represented to CMCC that Licensee or its principals are experienced in the development of products similar to the technology which is the subject of this Agreement; that Licensee is ready, willing and able to engage in the development, production, manufacture, marketing and sale of Licensed Products (as that term shall be defined hereafter) and/or the use of Licensed Processes (as that term shall be defined hereafter) and that Licensee will implement a diligent development program as described in this Agreement; and

WHEREAS, in order to promote effective development and distribution of a Licensed Product and/or use of Licensed Processes for the public interest, Licensee desires to obtain an

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exclusive license hereunder, within a designated territory and for a prescribed field of use, relating to certain licensed products and processes within the scope of the Patent Rights, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the promises and the mutual covenants contained herein, the Parties hereto agree as follows:

ARTICLE I. DEFINITIONS

For the purpose of this Agreement, the following words and phrases shall have the meanings set forth below:

A. "Affiliate" means any company or other legal entity actually controlling, controlled by or under common control with a Party. For purposes of the definition of "Affiliate" the term "control" shall mean: (i) in the case of a corporate entity, the ability to effect the election of directors, or in the case of a for-profit entity direct or indirect ownership of at least a majority of the stock or participating shares entitled to vote for the election of directors of that entity, in any case coupled with active managerial involvement and accountability for directing the business and affairs of that entity; (ii) In the case of a partnership, the power customarily held by a managing partner to direct the management and policies of such partnership, provided that such power is actively exercised; or (iii) in the case of a joint venture, whether in corporate, partnership or other legal form, a prevailing joint economic interest coupled with a managerial role entailing active direction, control and accountability with respect to the business and affairs of the entity.

B. "Combination Product(s) or Process(es)" means a product or process that includes a Licensed Product or Licensed Process sold in combination with another components) whose manufacture, use or sale by an unlicensed party would not constitute an infringement of the Patent Rights licensed In this Agreement.

C. "Commercially Reasonable Efforts" means diligent efforts and resources consistent with practices commonly used in Licensee's industry for a product at a similar state in its development or product life, taking into account efficacy, safety, the competitiveness of alternative products in the marketplace, the patent and other proprietary position of the product, regulatory approvals, and maintaining the priority of rapid and effective development of the technology in Licensee's corporate strategy.

[***] INDICATES MATERIAL THAT HAS BEEN OMITTED AND FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED. ALL SUCH OMITTED MATERIAL HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO RULE 406 PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1933, AS AMENDED.

D. "Distributor" means a person or an entity engaged in distribution or sales of Licensed Products or Licensed Processes for a price or fee under an arrangement with Licensee or a Sublicensee to engage in such distribution and sales, wholesale or retail, by an agreement to re-distribute and/ or re-sell a Licensed Product. Distributors shall include, without limitation, dealers, resellers, value added resellers, and other similar purchasers. For purposes of this definition, the term "Distributor" shall not include an Affiliate of Licensee or Sublicensees.

E. "Field of Use" means all uses.

F. "First Commercial Sale" means, with respect to each country: (i) the first sale of any Licensed Product or Licensed Process by Licensee or any Sublicensee, following approval of such Licensed Product's or Licensed Process's marketing by the appropriate governmental agency, if any such approval is necessary, for the country in which the sale is to be made; or (ii) when governmental approval is not required, the first sale in that country of the Licensed Product or Licensed Process. "First Commercial Sale" shall not Include compassionate use, patient assistance, or other like programs.

G. "Licensed Product" means any product or part thereof in the Field of Use:

1. The manufacture, use or sale of which absent the license granted hereunder this Agreement and the joint rights of Licensee in the Patent Rights, would infringe any one of the Valid Claims contained in the Patent Rights in any country within the Territory; or

2. The manufacture or use of which uses a "Licensed Process" as that term shall be defined hereafter.

H. "Licensed Process" means any process that absent the license granted hereunder this Agreement and the joint rights of Licensee in the Patent Rights, would infringe any one of the Valid Claims contained in the Patent Rights in any country in the Territory.

I. "Net Sales" means the largest of gross sales billed, invoiced, or received (whichever occurs first) for sales, leases, or other transfers by Licensee, its Affiliates, or its Sublicensees (each a "Selling Party" or ("Selling Parties")) for any Licensed Products or

Licensed Processes, less (to the extent appropriately documented) the following amounts:

(a) credits and allowances for price adjustment, rejection, or return of Licensed Products previously sold;

(b) rebates, quantity and cash discounts, and insurance, coverage or other medical discounts or chargebacks to purchasers or others allowed and taken;

(c) amounts for third party transportation, insurance, handling or shipping charges to purchasers; and

(d) taxes, duties and other governmental charges levied on or measured by the sale of Licensed Products, whether absorbed by the Selling Party or paid by the purchaser so long as the Selling Party's price is reduced thereby, but not franchise or income taxes of any kind whatsoever.

Net Sales also includes the fair market value of any non-cash consideration received by any Selling Party in connection with the sale, lease, or other transfer of Licensed Products, Transfer of a Licensed Product within Licensee or between any Selling Parties for sale by the transferee shall not be considered a Net Sate for purposes of ascertaining royalty charges.

J. "Non-Royalty Sublicensing Income" means any payments or other consideration that Licensee or any of its Affiliates receives, other than amounts received on account of Net Sales (i.e., excluding royalty or profit share amounts based on Net Sales) in consideration of the grant of a Sublicense permitted under Article II Paragraph G, to a Sublicensee (including any fees or consideration for the grant of an option to obtain such Sublicense), including without limitation license fees (other than royalty or profit share amounts based on Net Sales or other sales or dispositions of Licensed Products or Licensed Processes, including as reimbursement of royalties payable by Licensee hereunder), milestone payments and license maintenance fees, but specifically excluding: (a) payments used to cover costs to be incurred by or on behalf of Licensee or any of its Affiliates (including equipment purchases and full-time equivalent personnel actually provided by or on behalf of Licensee or any Its Affiliates) in the research and

development and commercialization of Licensed Products, (b) reimbursement of milestone payments paid by Licensee for milestones in Article IV Royalties, Equity and Other Payments hereunder, (c) loans or other debt obligations, or (d) payments made in consideration of equity or convertible debt securities of Licensee or any of Its Affiliates. For clarity, references to "Net Sales" above in this paragraph Includes any amounts received by Licensee or any of its Affiliates metered on sales, leases, or other transfers of Licensed Products or Licensed Processes, and thus are excluded from Non-Royalty Sublicensing Income.

If, as part of the same or a related transaction in which Licensee sublicenses any of its rights to Licensed Products and Licensed Processes, Licensee or any of Its Affiliates also licenses, sublicenses or otherwise grants rights under patent rights, know-how, other intellectual property rights or agrees to perform other rights or obligations other than the Patent Rights (collectively, "Other Rights"), then Licensee shall in good faith equitably apportion, in accordance with customary standards in the Industry, the consideration received by Licensee and its Affiliates under such transaction between the Patent Rights and such Other Rights, and such portion allocated to the Patent Rights shall constitute Non-Royalty Sublicensing Income. Licensee shall deliver to CMCC a written report setting forth such apportionment and, in the event CMCC disagrees with the determination made by Licensee, CMCC shall so notify Licensee within thirty (30) days of receipt of Licensee's report and the Parties shall meet to discuss and resolve such disagreement in good faith. If the Parties are unable to resolve such disagreement within thirty (30) days, then the matter shall be submitted In accordance with the dispute resolution process set forth in Article XIV, and if Licensee owes additional monies to CMCC after the conclusion of such process, Licensee shall have thirty (30) days after the completion of such process to make such payment to CMCC.

K. "Patent Rights" means all of the following intellectual property which CMCC owns or has rights to during the Term (as hereafter defined) as the United States patents issued from the applications listed in Appendix 1 incorporated herein, and from divisionals and continuations of these applications and any reissues, reexaminations, extensions of or substitutes therefrom, of such United States patents; claims of continuation-in-part applications and continuation-in-part patents directed to subject matter specifically

described In the applications listed in Appendix 1; and claims of all foreign patent applications, foreign patents, all rights of priority, and other intellectual property which are directed to subject matter specifically described in the United States patents and/or patent applications listed In Appendix 1.

L. "Sublicensee" means a person or entity unaffiliated (e.g. not an Affiliate) with Licensee to whom Licensee has granted an arm's length sublicense to the Patent Rights or option to the Patent Rights under this Agreement, and any such sublicense is referred to as a "Sublicense" hereunder.

M. "Territory" means worldwide.

N. "Term" shall have the meaning stated in Paragraph A of Article XV.

O. "Valid Claim" means (a) a claim of an issued and unexpired patent which has not been revoked or held unenforceable or invalid by a decision of a court or other governmental agency of competent jurisdiction, un-appealable or un-appealed within the time allowed for appeal, and which has not been admitted to be invalid or unenforceable through reissue or disclaimer or otherwise, or (b) a claim of a pending patent application that was filed and has not been (i) cancelled, withdrawn, abandoned or finally disallowed without the possibility of appeal or refiling of such application, or (ii) pending for more than [***] since such claim was first presented. However in the event such aforementioned pending claims issue after such [***] period, such claims will be Valid Claims to the extent they satisfy the provisions of (a) in the preceding sentence.

ARTICLE II. GRANT

A. Subject to the terms of this Agreement, and conditioned on the faithful performance by Licensee of its obligations hereunder, CMCC hereby grants to Licensee and its Affiliates the right and exclusive license to develop, have developed, commercialize, have commercialized, make, have made, manufacture, have manufactured, use, have used, offer for sale, have offered for sale, sell, have sold, import, or have imported Licensed Products and practice or have practiced the Licensed Processes in the Territory in the Field of Use to the end of the Term, unless sooner terminated as provided in this Agreement.

[***] INDICATES MATERIAL THAT HAS BEEN OMITTED AND FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED. ALL SUCH OMITTED MATERIAL HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO RULE 406 PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1933, AS AMENDED.

B. Notwithstanding anything above to the contrary, CMCC shall retain a royalty-free, nonexclusive, right to practice and/or use the Patent Rights for research, educational, clinical and/or charitable purposes, but no commercial purposes. For the avoidance of doubt, receipt of payment by CMCC for such clinical use shall not be deemed a commercial use. CMCC shall have the right to license [for a nominal fee (such as shipping and handling charges)] the Patent Rights to other academic or nonprofit research organizations to practice and/or use the Patent Rights for research (excluding sponsored research), teaching and educational purposes only ("Academic License"). Any such Academic License granted by CMCC permitted hereunder this Paragraph B shall specifically exclude and prohibit commercialization of the Patent Rights unless such organization enters into an agreement with Licensee on terms consistent with this Agreement but in other respects agreeable to Licensee in Licensee's sole discretion.

C. Notwithstanding any other provision of this Agreement, the license and any sublicense shall be subject to Licensee's warranty to comply with all applicable laws and regulations.

D. The license granted hereunder shall not be construed to confer any rights upon Licensee by implication, estoppel or otherwise as to any Inventions, discoveries, know-how, technology or other Intellectual property not described in Paragraph A of this Article II.

As a condition of the license granted hereunder, Licensee hereby irrevocably covenants and agrees that it will not, directly or indirectly, in any respect, use non-public information it has acquired in the course of prosecution of the Patent Rights from CMCC and/or patent counsel prosecuting the Patent Rights, to challenge CMCC's ownership of the Patent Rights. Such information shall be considered Confidential Information of CMCC and is subject to the provisions of Article VI. Any Sublicense granted by Licensee shall contain an Identical commitment by the Sublicensee.

E. Nothing in this Agreement shall be construed to limit or constrain CMCC, or any officer, director, employee, member of its medical staff, or of any CMCC Affiliate, from continuing to engage in related research; or from the development of related or unrelated inventions, discoveries, rights or technology, and from practicing, licensing or sublicensing related or unrelated intellectual property rights arising from inventions

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occurring after the Effective Date of this Agreement; or from academic publication related thereto; or from entering into agreements and other relationships with other persons or organizations related to matters not directly and expressly within the scope of this Agreement.

F. Licensee shall have the right to enter into sublicensing agreements with respect to any of the rights, privileges, and licenses granted hereunder, subject to the terms and conditions hereof. In the event CMCC terminates this Agreement before the end of its Term, Licensee shall be responsible for promptly notifying Sublicensees of such termination. Sublicensees so notified may, to the extent their Sublicenses allow, request CMCC to enter into direct licenses with them by sending to CMCC written notice, received no later than thirty (30) days after the License termination takes effect, that the Sublicensee; (i) reaffirms the terms and conditions of this Agreement as it relates to the rights the Sublicensee has been granted under the Sublicense; (ii) agrees to abide by all of the terms and conditions of this Agreement applicable to the Sublicensee and to discharge directly all pertinent obligations of Licensee which Licensee is obligated hereunder to discharge; and (iii) acknowledges that CMCC shall have no obligations to the Sublicensee other than its pertinent obligations set forth in this Agreement with regard to Licensee. Provided that the Sublicensee notice to CMCC as set forth in this clause is satisfactory, and Sublicensee Is not in breach of its Sublicense, CMCC and Sublicensee shall negotiate in good faith to grant to such Sublicensee license rights and terms equivalent to the sublicense rights and terms which the Licensee shall have previously granted to said Sublicensee, to the extent that those rights were granted by CMCC to the Licensee under this Agreement. CMCC may decline to enter into a direct license agreement with Sublicensee where Sublicensee cannot or declines to perform the obligations of Licensee hereunder, including without limitation Development Plan (as defined below) obligations.

G. Licensee agrees that any sublicense granted by it shall provide that the obligations to CMCC of Articles II (Grant), V (Reports, Records and Related Matters), VIII (Infringement), IX (Uniform Indemnification and Insurance Provisions), XI (Compliance with Laws; Export Controls), XII (Non-Use of Names), XIII (Assignment), XIV (Dispute Resolution and Arbitration), XV (Term and Termination) and XVII (General Provisions) of

this Agreement shall be binding upon the Sublicensee, for the benefit of CMCC, as if it were a party to this Agreement ("Pass Through Provisions"). In addition, every Sublicense shall contain within it requirements for commercially reasonable due diligence in developing or exploiting the Patent Rights, or selling Licensed Products, as specifically applicable, and shall require that Licensee enforce those provisions consistent with achieving Licensee's obligations pursuant to this Agreement. Licensee shall be obligated to CMCC for the acts and omissions of Sublicensees with respect to the Pass Through Provisions. Licensee agrees to provide to CMCC notice of any Sublicense granted hereunder and to forward to CMCC a copy of any and all fully executed Sublicense within thirty (30) days of execution. Licensee further agrees to forward to CMCC annually a copy of such reports received by Licensee from its Sublicensees, if any, during the preceding twelve (12) month period as shall be pertinent to a royalty accounting under the applicable Sublicense and compliance with the other terms of this Agreement.

H. Licensee shall advise CMCC in writing of any consideration received from Sublicensees and Distributors, and, at CMCC's request, provide such Information in an electronic or other format recognizable by CMCC's data processing systems for example Microsoft Excel®. Licensee shall not accept from any Sublicensee or Distributor anything of value in lieu of cash payments to discharge its payment obligations under any sublicense or distribution agreement, respectively, related to this Agreement or marketing and sale of Licensed Products, without the express written permission of CMCC, which permission shall not be unreasonably withheld but may take Into account a reasonable valuation for purposes of Licensee's payment obligations to CMCC.

ARTICLE III. DUE DILIGENCE AND RELATED MATTERS

A. Licensee, upon execution of this Agreement, shall use Commercially Reasonable Efforts to bring one or more Licensed Products to market. Thereafter, until expiration or termination of this Agreement, Licensee shall keep Licensed Products available to the public, in quantities sufficient to meet market demand, in the Territory, on terms appropriate for public access and public benefit.

B. In addition to its general obligation to use Commercially Reasonable Efforts, Licensee shall implement a written development and commercialization plan ("Development Plan"), which may be amended from time to time pursuant to Paragraph C of this Article III Licensee's Initial Development Plan is attached hereto as Appendix 2 and is hereby incorporated herein by reference. Absent CMCC's consent as provided in Paragraph C of this Article III, the timeframes and Licensee's obligations described in the Development Plan shall be treated as definitive. Such Development Plan and revisions to such Development Plan under Paragraph C of this Article III disclosed to CMCC shall be considered Confidential Information, and shall be subject to the provisions contained in Article VI.

C. Except for Diligence Specifications as defined in Paragraph D of this Article III, CMCC shall not unreasonably withhold, condition or delay (it being understood that CMCC may reasonably condition its consent), its consent to revision of the Development Plan when requested in writing In advance by Licensee and the request is supported by evidence reasonably acceptable to CMCC: (i) of technical difficulties or delays in the clinical studies or regulatory process that could not reasonably have been avoided; (ii) Licensee is proposing and will implement satisfactory and effective means of addressing such difficulties or delays, including sufficient financial and technical resources; and (iii) that Licensee, its Affiliates and/or Sublicensees have in good faith made Commercially Reasonable Efforts and expended resources contemplated by the Development Plan.

D. Notwithstanding Paragraphs B and C of this Article III, Licensee agrees that Licensee's failure to achieve the following specific requirements of the Development Plan ("Diligence Specifications") shall be sufficient grounds for the actions specified in this paragraph:

(i) [***];

(ii) [***];

(iii) [***];

(iv) [***];

(v) [***]; and

(vi) [***].

The Parties agree that Licensee's failure to achieve any of the Diligence Specifications will irreparably harm CMCC's ability to ensure that a Licensed Product is timely developed for the public benefit. In the event Licensee falls to meet any of the Diligence Specifications set forth in this Paragraph D in a timely manner, CMCC shall notify Licensee thereof in writing, and Licensee shall have sixty (60) days following such notification to establish, through written response to CMCC, to the reasonable satisfaction of CMCC that (i) It has met such objective(s); or (ii) a revision to the Diligence Specification is necessary and appropriate as contemplated above. In the event Licensee falls to establish (i) or (ii) in such 60-day period to CMCC's reasonable satisfaction in CMCC's sole discretion, CMCC shall have the right in its sole discretion to terminate in whole or in part the license granted to Licensee under this Agreement pursuant to Article XV effective Immediately.

ARTICLE IV. ROYALTIES, EQUITY AND OTHER PAYMENTS

A. For the rights, privileges and exclusive license granted hereunder, Licensee shall pay to CMCC the following amounts in the manner hereinafter provided. Unless expressly stated otherwise in this Agreement, periodic payment obligations listed below shall endure through the Term of this Agreement, unless this Agreement shall be sooner terminated as hereinafter provided:

1. A license Issue fee of $5,000, which shall be deemed earned as of the Effective Date and due and payable within thirty (30) days of the Effective Date.

2. An annual license maintenance fee of $5,000 due and payable each year on the anniversary of the Effective Date for the first three (3) years and an annual license maintenance fee in the amount of $10,000 for each year thereafter.

3. As soon as practicable following the Effective Date, but in any event no later than ten (10) days after the Effective Date, Parent shall grant CMCC 76,500 of Its Common Units (representing one percent (1%) of Parent on a fully-diluted basis as of the

Effective Date (for the avoidance of doubt, the calculation of fully diluted shall Include all Incentive Units authorized for issuance under the Parent's Second Amended and Restated Operating Agreement, dated as of December 13, 2013 (the "Operating Agreement"))) (the "Units"), provided that as a condition to the receipt of the Units, CMCC shall execute (i) a joinder agreement to the Operating Agreement, agreeing to be bound thereby as a member holding Common Units and (ii) a customary unit subscription agreement.

4. Licensee shall make the following payments (the "Milestone Payments") to CMCC within thirty (30) days following the achievement of such event for each Licensed Product ("Milestones"):

(a) [***] Dollars (US [***]) [***];

(b) [***] Dollars (US [***]) [***];

(c) [***] Dollars (US [***]) [***]; and

(d) [***] Dollars (US [***])[***].

5. Licensee shall pay to CMCC royalties, on a country-by-country and Licensed Product-by-Licensed Product basis, on a calendar quarterly basis during the Term, at the graduated royalty rates specified in the following table with respect to the aggregate annual worldwide Net Sales of each Licensed Product in a calendar year, in those countries where the sale of such Licensed Product by a Selling Party infringes one or more Valid Claims:

Annual Worldwide Net Sales of Each Licensed Product in a Calendar Year	**Royalty Rate**
On such Net Sales up to and including [***] ($[***])	[***] percent ([***]%)
On such Net Sales above [***] ($[***]	[***] percent ([***]%)

The applicable royalty rate shall be determined by reference to Net Sales for a Licensed Product on which royalties are paid in a given calendar year. By way of example, in a given calendar year, if the aggregate annual Net Sales for a Licensed Product for which royalties are due under this Section were $[***], the following royalty payment would be payable (subject to all reductions set forth in this Agreement): ([***] % x $[***]) + ([***]% x $[***]) = $[***].

6. In the event Licensee has granted Sublicenses permitted under this Agreement Licensee shall pay to CMCC the following percentages of all Non-Royalty Sublicensing Income:

   (i) [***]% if [***];

   (ii) [***]% if [***]; and

   (iii) [***]% If [***].

B. No multiple royalties shall be payable because any Licensed Product or Licensed Process, its manufacture, use, lease or sale are, or shall be, covered by more than one patent or patent application of the Patent Rights licensed under this Agreement.

C. For purposes of calculating royalties, in the event that a Licensed Product includes both component(s) covered by a claim of a Patent Right ("Patented Component") and a component which is diagnostically useable or therapeutically active alone or in a combination which does not require the Patented Component, and such component is not covered by a claim of a Patent Right ("Unpatented Component"), then Net Sales of the Combination Product or Combination Process shall be calculated using one of the following methods:

1. By multiplying the Net Sales of the Combination Product or Combination Process during the applicable royalty accounting period ("accounting period") by a fraction, the numerator of which is the aggregate gross selling price of the Patented Component(s) contained in the Combination Product or Combination Process if sold separately, and the denominator of which is the sum of the gross selling price of both

the Patented Components) and the Unpatented Component(s) contained in the Combination Product or Combination Process if sold separately; or

2. In the event that no such separate sales are made of the Patented Component(s) or the Unpatented Components during the applicable accounting period, Net Sales for purposes of determining royalties payable hereunder shall be calculated by multiplying the Net Sales of the Combination Product or Combination Process by a fraction, the numerator of which is the fully allocated production cost of the Patented Component(s) and the denominator of which is the sum of the fully allocated production costs of the Patented Components) and the Unpatented Component(s) contained in the Combination Product or Combination Process. Such fully allocated costs shall be determined by using Licensee's standard accounting procedures, which procedures must conform to standard cost accounting procedures.

D. All payments shall be paid in United States dollars in Boston, Massachusetts, or at such other place as CMCC may reasonably designate consistent with the laws and regulations controlling In any foreign country. If the currency conversion shall be required in connection with the payments of royalties or other amounts hereunder, the conversion shall be made by using the exchange rate prevailing In the east coast edition of the Wall Street Journal on the last business day of the calendar quarterly reporting period to which such royalty payments relate.

E. Payment of royalties specified in Paragraph A, Sections 5 and 6 of this Article IV shall be made by Licensee to CMCC within forty-five (45) days after March 31, June 30, September 30 and December 31 each year during the Term of this Agreement covering the quantity of Licensed Products sold by Licensee during the preceding calendar quarter. The last such payment shall be made within forty-five (45) days after termination of this Agreement. The royalty payments set forth in this Agreement shall, if overdue, bear interest until payment at a per annum rate of two percent (2%) above the prime rate as reported in the Wall Street Journal eastern edition on the due date. The payment of such interest shall not foreclose CMCC from exercising any other rights it may have as a consequence of the lateness of any payment.

ARTICLE V. REPORTS, RECORDS AND RELATED MATTERS

A. Licensee shall keep, and shall require its Affiliates and Sublicensees as a condition of such Sublicense to keep, full, true and accurate books and records, including books of account in accordance with generally accepted accounting principles, In sufficient detail to enable CMCC to determine Licensee's compliance with this Agreement, including diligence with respect to development, and the royalty and other amounts payable to CMCC under this Agreement. Said books and records, including books of account in accordance with generally accepted accounting principles, shall be kept at each of the aforementioned relevant party's principal place of business or the principal place of business of the appropriate division of such

relevant party to which this Agreement relates. Said books and the supporting data shall be retained for at least five (5) years following the end of the calendar year to which they pertain.

B. CMCC shall have the right to inspect, copy and audit, on fifteen (15) days' notice, the books and records described above from time to time to verify the reports provided for herein or compliance In other respects with this Agreement. CMCC or its agents shall perform such inspection, copying and auditing at CMCC's expense during Licensee's regular business hours, if such audit reveals an underpayment of greater than five percent (5%), Licensee shall bear the full out-of-pocket expenses of such audit and shall remit any amounts due to CMCC within thirty (30) days of receiving notice thereof from CMCC. If such audit reveals an overpayment, Licensee may take such overpayment as a credit under this Agreement.

C. Until the later of First Commercial Sale of a Licensed Product or the last development milestone, Licensee shall provide to CMCC at least sixty (60) days after the end of each calendar year an annual report detailing the activities of Licensee, its Affiliates, and Sublicensees relative to achieving the objectives set forth in the Development Plan, including but not limited to, reports of financial expenditures to achieve said objectives; research and development activities; names, addresses and actions of all Sublicensees and Affiliates; the progress of obtaining regulatory approvals, with appropriate documentation [***]. Licensee shall also report on its progress under the Development Plan more frequently, but no more than quarterly, at CMCC's written request. CMCC agrees that Development Plans and Progress Reports provided to CMCC shall be

considered Confidential Information, and shall be subject to the provisions contained in Article VI.

D. After First Commercial Sale, within sixty (60) days after the end of each calendar quarter, Licensee shall deliver to CMCC, at Licensee's expense, true and accurate reports for the said preceding quarter, giving such particulars of the business conducted by Licensee, its Affiliates and Its Sublicensees under this Agreement as shall be pertinent to CMCC determining compliance with this Agreement, including a royalty accounting hereunder and to verify Licensee's activities with respect to achieving the objectives of the Development Plan described in Article III above. These reports shall, at CMCC's request, be provided by Licensee in an electronic or other format compatible with CMCC's data processing and/or license management systems. Reports shall include at least the following:

1. Number of Licensed Products and Licensed Processes manufactured and sold.
2. Number of Licensed Products sold to Boston Children's Hospital.
3. Total Net Sales for Licensed Products and Licensed Processes sold, by country.
4. Accounting for all Licensed Products and Licensed Processes sold.
5. Applicable deductions.
6. Total royalties payable to CMCC.
7. Names and addresses of all Sublicensees.
8. Payments received by Licensee from Affiliates and Sublicensees.
9. Royalties and Fees received from Affiliates and Sublicensees.

E. On or before the ninetieth (90^{th}) day following the close of Licensee's fiscal year, or at such later time as made available to the Licensee's investors, Licensee shall provide CMCC with Licensee's certified financial statements for the preceding fiscal year, including without limitation all statements reflecting profits and losses from operations, cash balances, and any management letter. When the Licensee first becomes subject

to the periodic reporting requirements of Section 12(g) or 15(d) of the Securities Exchange Act of 1934, as amended, instead of providing the foregoing, Licensee will provide its Form 10-Q and Form 10-K reports to CMCC promptly after becoming publicly available.

F. Licensee acknowledges that policies of CMCC, Harvard Medical School and affiliated organizations, relating to, *inter alia*, conflicts of interest and intellectual property, may affect certain direct and indirect arrangements between inventors and Licensee or related organizations. During the Term of this Agreement, Licensee shall notify CMCC in writing at least thirty (30) days before Licensee, or any Affiliate, or any organization owned, controlled or influenced by an officer or director of Licensee, enters into any agreement other than this Agreement with or involving Dr. Timothy Springer, Dr. Leonard Zon, or members of their laboratories that Licensee knows are employed by CMCC, whether relating to sponsored research, consulting, board membership, securities, or otherwise. Licensee's notice to CMCC shall Include a detailed description of all proposed terms and conditions. Licensee shall not enter Into such an agreement if it would violate such policies unless the terms and conditions of the agreement have been duly approved pursuant to such policies.

ARTICLE VI. CONFIDENTIALITY

A. Each Party agrees, during the Term and for five (5) years after termination of this Agreement to maintain the confidentiality of the confidential Information of the other Party. "Confidential Information" shall mean (1) information acquired by Licensee pursuant to Article II Paragraph F (2) information disclosed to CMCC pursuant to Article III Paragraphs B, C and Article V Paragraphs C, D, and E, or (3) other information relevant to this Agreement that the disclosing Party marks as confidential upon disclosure to the receiving Party. The Parties agree not to disclose the other Party's Confidential Information to any third-party without the prior written consent of such other Party, and to use such Confidential Information only as necessary to fulfill its obligations, or comply with any laws or in the reasonable exercise of rights granted to it under this Agreement. Furthermore, either Party may disclose Confidential Information of the other Party to (a) its Affiliates, and to its and their directors, employees, consultants, and agents in each case who have a specific need to know such Confidential Information

and who are bound by a like obligation of confidentiality and restriction on use, or (b) to the extent such disclosure is required to comply with applicable law or regulation or the order of a court of competent jurisdiction, to defend or prosecute litigation or to comply with the rules of the U.S. Securities and Exchange Commission, any stock exchange or listing entity; provided, however, that the receiving Party provides prior written notice of such disclosure to the disclosing Party and takes reasonable and lawful actions to avoid or minimize the degree of such disclosure. Notwithstanding any other provision of this Agreement, each Party may disclose and use Confidential Information of the other Party as necessary to file or prosecute patent applications, prosecute or defend litigation or otherwise establish rights or enforce obligations under this Agreement, or to submit regulatory filings. Similarly, notwithstanding any other term of this Agreement, and in addition to (a) and (b) of this Paragraph A, CMCC shall have the right to disclose the nature, terms and copy of the Agreement to oversight bodies of CMCC, such as the Institutional review board or conflicts of interest committee, and to disclose the nature of this Agreement (without including financial terms of the license but Including reasonable detail about its overall structure, business goats and status of active clinical trials) in organizational communications, such as the Annual Report of the Technology and Innovation Development Office, and publications of the Office of Public Affairs (not to be construed as press releases). However Confidential information does not include any portion of the Confidential information which:

(i) at the time of disclosure is in the public domain;

(ii) after disclosure hereunder enters the public domain, except through breach of this Agreement by the receiving Party;

(iii) the receiving Party can demonstrate was in the receiving Party's possession prior to the time of disclosure by or on behalf of the disclosing Party hereunder, and was not acquired directly or Indirectly from the disclosing Party;

(iv) becomes available to the receiving Party from a third-party which, to the knowledge of the receiving Party, is not legally prohibited from disclosing such Confidential Information; or

(v) the receiving Party can demonstrate was developed by or for the receiving Party independently of the disclosure of Confidential Information by the disclosing Party or its Affiliates.

B. Licensee and CMCC agree that the confidentiality obligations hereunder shall require that each Party use confidentiality procedures and practices as each would use for its own confidential records.

C. Licensee agrees that nothing herein shall prevent CMCC from disclosing or publishing CMCC information, or create any legal liability for doing so.

ARTICLE VII. PATENT PROSECUTION

A. Licensee shall be responsible for applying for, seeking issuance of, and maintaining during the Term the Patent Rights set forth in Appendix 1. The prosecution, filing and maintenance of all Patent Rights applications and patents shall be the primary responsibility of Licensee, except that CMCC shall have reasonable opportunities to review and advise Licensee, Including with respect to the narrowing of claims that affect CMCC's ownership interest, prior to any response or action submitted to any patent office. However, Licensee shall not narrow claims that affect CMCC's ownership interest without the prior written consent of CMCC, which consent shall not be unreasonably withheld, conditioned or delayed (it being understood that CMCC may reasonably condition its consent). CMCC shall reasonably cooperate with Licensee in the preparation, filing, prosecution and maintenance of the Patent Rights. Licensee shall instruct its counsel to copy CMCC on all patent application and patent related correspondence.

B. Licensee shall be responsible for, and shall bear all costs and expenses for the preparation, filing, prosecution and maintenance of patents underlying the Patent Rights. If Licensee elects for such Patent Rights: (i) to no longer pay the expenses of a patent application or patent in a given portion of the Territory, or (ii) decides to no longer pursue, maintain or retain a particular Patent Right in a given portion of the Territory, (each of (i) and (ii), a "Dropped Patent Right") Licensee shall notify CMCC in writing not less than sixty (60) days prior to such action and shall thereby surrender its exclusive rights under such Dropped Patent Right. Such notice shall not relieve Licensee from

responsibility to pay for Dropped Patent Right related expenses incurred prior to the expiration of the sixty (60) day notice period (or such longer period specified in Licensee's notice).

CMCC shall have the right to assume the filing, prosecution and/or maintenance of such Dropped Patent Right at CMCC's expense, and with respect to jointly owned rights, in the names of both CMCC and Licensee, and Licensee's license under this Agreement to such Dropped Patent Right will immediately cease. At CMCC's request, Licensee will discuss with CMCC entering into an agreement regarding any such Dropped Patent Right (which could include assignment of Licensee's interest in such Dropped Patent Right to CMCC for present and future payments to Licensee), but neither Party is hereby obligated to enter into any such agreement.

ARTICLE VIII. INFRINGEMENT

A. Licensee and CMCC shall each inform the other promptly in writing of any alleged infringement by a third-party of the Patent Rights in the Field of Use within the scope of this Agreement and of any available evidence thereof.

B. Licensee will have the obligation, at its own costs and expense, to defend from challenges the Patent Rights (other than Dropped Patent Rights) throughout the Territory with respect to the Field of Use (subject to consultation with CMCC on strategy, filings and selection and use of outside counsel), provided that Licensee will not settle or compromise any claim without the prior approval of CMCC, which may not be withheld, conditioned or delayed unreasonably (it being understood that CMCC may reasonably condition its consent), and will not make any admission as to CMCC without the prior approval of CMCC, which approval may not be withheld, conditioned or delayed unreasonably (it being understood that CMCC may reasonably condition Its consent). During the Term, Licensee shall have the first right, to prosecute at its own expense any infringement of the Patent Rights and, in furtherance of such right, Licensee hereby agrees that CMCC may join Licensee as a party plaintiff in any such suit at its own expense, provided that CMCC shall join Licensee as a party plaintiff in any such suit upon the request of Licensee. However, Licensee's right to bring such first infringement action shall remain in effect only for so long as the license granted hereunder remains

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exclusive. Prior to commencing any such action, Licensee shall consult with CMCC and shall consider the views of CMCC regarding the advisability of the proposed action including but not limited to whether such alleged infringer is an academic or non-profit third party and its effect on the public interest. No settlement, consent judgment or other voluntary final disposition of the suit may be entered into without the consent of CMCC, which consent shall not be unreasonably withheld, conditioned, or delayed (it being understood that CMCC may reasonably condition its consent). Licensee shall indemnify CMCC against any order for costs that may be made against CMCC In such proceedings. Any recovery or damages for past infringement derived therefrom will first be applied to CMCC and Licensee's expenses, including reasonable attorneys' fees, in connection therewith, and any balance remaining then will be divided [***] percent ([***]%) to Licensee and [***] percent ([***]%) to CMCC.

C. If within twelve (12) months after having been notified of any alleged infringement, Licensee shall have been unsuccessful in persuading the alleged infringer to desist and shall not have brought and shall not be diligently prosecuting an infringement action, or if Licensee shall notify CMCC of its intention not to bring suit against any alleged infringer then, CMCC shall have the right, but shall not be obligated, to prosecute at its own expense any infringement of the Patent Rights.

D. in the event CMCC shall undertake the enforcement and/or defense of the Patent Rights by litigation pursuant to Paragraph C of this Article VIII, any recovery of damages by CMCC for each such suit shall be applied first in satisfaction of any unreimbursed expenses, Including reasonable attorneys' fees of the Licensee and CMCC relating to such suit. Any balance remaining will then be divided [***] percent ([***]%) to CMCC and [***] percent ([***]%) to Licensee.

E. In the event that a declaratory judgment action alleging invalidity or non-infringement of any of the Patent Rights shall be brought against Licensee, CMCC, at its option, shall have the right, within thirty (30) days after commencement of such action, to intervene and participate In the defense of the action at its own expense.

F. In any infringement suit which either Party may institute to enforce the Patent Rights pursuant to this Agreement, the other Party hereto shall cooperate in all reasonable

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respects and, to the extent reasonably possible, have its employees testify when requested and make available relevant records, papers, information, samples, specimens, and the like.

G. Licensee shall during the exclusive period of this Agreement have the sole right subject to the terms and conditions hereof to sublicense any alleged infringer for future use of the Patent Rights to the extent licensed by this Agreement. Any upfront fees paid to Licensee as part of such a sublicense shall be shared between Licensee and CMCC as Non-Royalty Sublicensing Income under this Agreement.

ARTICLE IX. UNIFORM INDEMNIFICATION AND INSURANCE PROVISIONS

A. Licensee shall indemnify, defend and hold harmless CMCC, its corporate affiliates, current or future directors, trustees, officers, faculty, medical and professional staff, employees, students and agents and their respective successors, heirs and assigns (the "Indemnitees"), against any claim, liability, cost, damage, deficiency, loss, expense or obligation of any kind or nature (including without limitation reasonable attorneys' fees and other costs and expenses of litigation) incurred by or imposed upon the Indemnitees or any one of them in connection with any claims, suits, actions, demands or judgments arising out of any theory of product liability (including, but not limited to, actions in the form of tort, warranty, or strict liability) concerning any product, process or service made, used or sold pursuant to any right or license granted under this Agreement.

B. Licensee's indemnification under Article IX, Paragraph A above shall not apply to any liability, damage, loss or expense to the extent that it is directly attributable to the negligent activities, reckless misconduct or intentional misconduct of the Indemnitees.

C. Intentionally omitted.

D. Licensee agrees, at its own expense, to provide attorneys reasonably acceptable to CMCC to defend against any actions brought or filed against any party indemnified hereunder with respect to the subject of indemnity contained herein, whether or not such actions are rightfully brought.

E. Beginning at the time as any such product, process or service is being commercially distributed or sold (other than for the purpose of obtaining regulatory approvals) by Licensee or by a Sublicensee, Affiliate or agent of Licensee, Licensee shall, at its sole cost and expense, procure and maintain commercial general liability insurance in amounts not less than $2,000,000 per incident and $2,000,000 annual aggregate and naming the Indemnitees as additional Insureds. Such commercial general liability Insurance shall provide (i) product liability coverage and (ii) contractual liability coverage for Licensee's indemnification under Article IX, Paragraphs A through D of this Agreement. If Licensee elects to self-insure all or part of the limits described above(Including deductibles or retentions which are in excess of $250,000 annual aggregate), such self-insurance program must be acceptable to CMCC and the Risk Management Foundation of the Harvard Medical Institutions, Inc. The minimum amount of insurance coverage required under this Article IX, Paragraph E, shall not be construed to create a limit of Licensee's liability with respect to its indemnification under Article IX, Paragraphs A through D of this Agreement.

F. Licensee shall provide CMCC with written evidence of such insurance upon request of CMCC. Licensee shall provide CMCC with written notice at least fifteen (15) days prior to the cancellation, non-renewal or material change in such insurance. Notwithstanding any other term of this Agreement, if Licensee does not obtain replacement insurance providing comparable coverage within such fifteen (15) day period, CMCC shall have the right to terminate this Agreement effective at the end of such fifteen (15) day period without notice of any additional waiting periods.

G. Licensee shall maintain such commercial general liability insurance during (i) the period that any such product, process or service is being commercially distributed or sold (other than for the purpose of obtaining regulatory approvals) by Licensee or by a Sublicensee, Affiliate or agent of Licensee and (ii) a reasonable period after the period referred to above, which in no event shall be less than fifteen (15) years.

H. The provisions of this Article IX shall survive expiration or termination of this Agreement.

I. EXCEPT AS MAY OTHERWISE BE EXPRESSLY SET FORTH IN THIS AGREEMENT, CMCC MAKES NO WARRANTY, EXPRESS OR IMPLIED, INCLUDING, WITHOUT

LIMITATION, ANY EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY OR ANY EXPRESS OR IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, OR WARRANTY OF NON-INFRINGEMENT, WITH RESPECT TO ANY MATTER WITHIN THE SCOPE OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION ANY WARRANTY WITH RESPECT TO THE PATENT RIGHTS, LICENSED PRODUCTS, OR ANY PATENT, TRADEMARK, SOFTWARE, TRADE SECRET, TANGIBLE RESEARCH PROPERTY, INFORMATION OR DATA LICENSED OR OTHERWISE PROVIDED TO LICENSEE HEREUNDER, AND HEREBY DISCLAIMS THE SAME.

J. EXCEPT FOR LICENSEE'S INDEMNITY OBLIGATIONS UNDER PARAGRAPHS A AND E OF THIS ARTICLE IX, IN NO EVENT SHALL ANY PARTY, THEIR TRUSTEES, DIRECTORS, OFFICERS, EMPLOYEES FACULTY, STUDENTS, MEDICAL AND PROFESSIONAL STAFF. AGENTS AND AFFILIATES BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING ECONOMIC DAMAGES OR INJURY TO PROPERTY AND LOST PROFITS, REGARDLESS OF WHETHER SUCH PARTY SHALL BE ADVISED, SHALL HAVE OTHER REASON TO KNOW, OR IN FACT SHALL KNOW OF THE POSSIBILITY OF THE FOREGOING.

ARTICLE X. REPRESENTATIONS

A. Each Party hereby represents to the other Party as follows:

1. In the case of Licensee it is a limited liability company and in the case of CMCC it Is a charitable corporation duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is incorporated or formed as the case may be, and has full limited liability company, corporate or other power and authority and the legal right to own or license and operate its property and assets and to carry on its business as It is now being conducted and as contemplated in this Agreement.

2. This Agreement has been duly executed and delivered on behalf of such Party, by signatories duly authorized to enter Into this Agreement.

B. To the best knowledge of TIDO;

1. As of the Effective Date, CMCC is the owner of all of its right, title and interest in and to the Patent Rights.

2. As of the Effective Date, TIDO has no knowledge of any activities by third-parties that would constitute infringement or misappropriation of the Patent Rights within the Field of Use.

3. As of the Effective Date, CMCC has not licensed, or optioned, any of its right, title and interest in and to the Patent Rights to any third party, or has entered into a sponsored research agreement or other written agreement to grant any such license or option.

ARTICLE XI. COMPLIANCE WITH LAWS; EXPORT CONTROLS

A. Licensee shall comply with all applicable laws and regulations, including, without limitation, statutes and regulations affecting drug testing, development, marketing and distribution; laws and implementing regulations of the Department of Commerce governing intellectual property in federally-funded inventions; and Export Administration Regulations of the United States Department of Commerce issued pursuant to the Export Administration Act of 1979 (50 App, U.S.C. §2401 et. seq.). Licensee understands and acknowledges that transfer of certain technical data, computer software, laboratory prototypes and other commodities is subject to United States laws and regulations controlling their export, some of which prohibit or require a license for the export of certain types of technical data, to certain specified countries. CMCC neither represents that a license shall not be required, nor that if required, it shall be issued. Licensee hereby represents and warrants that it will comply with all United States laws and regulations, and any applicable similar laws and regulations of any other country, controlling the export of commodities and technical data, that it will be solely responsible for any violation of such by Licensee and/or its Affiliates and/or Sublicensees, and that it will defend and hold CMCC and its Affiliates and their officers, directors, employees, agents, and medical staff harmless in the event of any legal action of any nature occasioned by such violation, and any action by any governmental agency or authority, or any other party, relating to any asserted illegality or regulatory violation in

the development, production, approval, marketing, sale, storage, manufacture, distribution, export or commercialization of Licensed Products or Licensed Processes.

B. It is the intention of the Parties hereto to comply with all applicable laws, rules, and regulations, including (i) the federal anti-kickback statute (42 U.S.C. §1320a-7b) and related safe harbor regulations, and (ii) the Limitation Certain Physician Referrals (42 U.S.C. §1395nn, the “Stark Law”). Accordingly, the Parties agree and acknowledge that no consideration received under this Agreement is, or is intended to be, a prohibited payment for the recommending or arranging for the referral of business or ordering of Items or services, nor is any such consideration intended to induce illegal referrals of business.

ARTICLE XII. NON-USE OF NAMES

A. Licensee will not use the name, names, logos or trademarks of CMCC or any CMCC Affiliates, nor the name or photograph or other depletion of any employee or member of the staff of CMCC or such Affiliates, nor any adaptation of any of the foregoing, in any advertising, promotional, or sales literature without, in each case, prior written consent from CMCC and from the individual staff member, employee, or student if such individual’s name, photograph or depiction is used. Notwithstanding the above, Licensee may state that it is licensed by CMCC under one or more patents and/or applications consistent with this Agreement, and Licensee may comply with disclosure requirements of all applicable laws relating to its business, including United States and state security laws. In addition, Licensee may refer to publications by employees of CMCC in the scientific literature.

ARTICLE XIII. ASSIGNMENT

CMCC may assign this Agreement at any time without the prior consent of Licensee-Except as otherwise provided herein, this Agreement is not assignable or delegable, in whole or in part, by Licensee without the prior written consent of CMCC acting through an authorized designee, and any purported assignment otherwise shall be void and of no effect. Notwithstanding the foregoing, in the event Licensee merges with another entity, is acquired by another entity, or sells all or substantially all of its assets to another entity, Licensee may assign its rights and obligations hereunder to the surviving or acquiring entity if: (i) [***]; (ii)

[***]; (iii) [***] and (iv) [***]; (a) reaffirmation of the terms of this Agreement; (b) an agreement to be bound by the terms of this Agreement; and (c) an agreement to perform the obligations of Licensee under this Agreement and (d) details satisfactory to CMCC concerning subparagraph (ii)-(iii) of this Article XIII.

ARTICLE XIV. DISPUTE RESOLUTION AND ARBITRATION

A. Any and all claims, disputes or controversies arising under, out of, or in connection with this Agreement, which have not been resolved by good faith negotiations between the Parties shall be resolved by final and binding arbitration in Boston, Massachusetts, in accordance with the rules then obtaining applicable to the appointment of a single arbitrator of the American Health Lawyers Association, or In the event such arbitration is not then available under those rules, the rules of the American Arbitration Association ("AAA"). All expenses and costs of the arbitrators and the arbitration in connection therewith will be shared equally, except that each Party will bear the costs of its prosecution and defense, including without limitation attorneys' fees and the production of witnesses and other evidence. Any award rendered in such arbitration shall be final and may be enforced by either Party.

B. Notwithstanding the foregoing, nothing in this Agreement shall be construed to waive any rights or timely performance of any obligations existing under this Agreement, including without limitation Licensee's obligations to make royalty and other payments, and also, unless CMCC has terminated the Agreement, Licensee's obligation to continue due diligence and development obligations. Notwithstanding any other provision of this Agreement, Licensee agrees that it shall not withhold or offset such payments, and agrees that Licensee's sole remedy for alleged breaches by CMCC Is pursuant to this Article XIV.

C. Notwithstanding any other term of this Agreement, prior arbitration shall not be required, nor shall any arbitrator have the power to enjoin, notice of termination or effective termination of the license by CMCC pursuant to Paragraphs B or C of Article XV of this Agreement. Licensee may challenge any such termination and seek reinstatement of this Agreement as a remedy if such termination is found to be improper.

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ARTICLE XV. TERM AND TERMINATION

A. The term of this Agreement shall commence on the Effective Date and shall remain in effect until the expiration of the last expiring Patent Right ("Term"), unless earlier terminated in accordance with the provisions of this Agreement.

B. Notwithstanding Article XIV of this Agreement, CMCC may terminate this Agreement immediately upon (1) the bankruptcy, legal insolvency, liquidation, dissolution or cessation of operations of Licensee; or the filing of any voluntary petition for bankruptcy, dissolution, liquidation or winding-up of the affairs of Licensee; or any assignment by Licensee for the benefit of creditors; or the filing of any involuntary petition for bankruptcy, dissolution, liquidation or winding-up of the affairs of Licensee which is not dismissed within ninety (90) days of the date on which it is filed or commenced; or (2) upon any final judicial or administrative determination that this Agreement violates, or if continued would violate, in a substantial manner, any provision of the Federal Internal Revenue Code, applicable rights of the United States or obligations of CMCC under Title 15 of the United States Code, or other Federal or State laws applicable to CMCC; or (3) in the circumstances providing for termination described in Article III of this Agreement.

C. CMCC may terminate this Agreement upon thirty (30) days prior written notice in the event of Licensee's failure to pay to CMCC royalties and other payments due and payable hereunder in a timely manner, unless Licensee shall make all such payments to CMCC within said thirty (30) day period. Notwithstanding Article XIV of this Agreement, upon the expiration of the thirty (30) day period, if Licensee shall not have made all such payments to CMCC, the rights, privileges and licenses granted hereunder shall terminate without further action by CMCC.

D. Except as otherwise provided In Paragraphs B and C above and notwithstanding Article XIV of this Agreement, in the event that Licensee shall default in the performance of any obligations under this Agreement, and the default has not been remedied to CMCC's satisfaction within sixty (60) days after the date of notice in writing of such default, CMCC may by written notice to Licensee terminate this Agreement effective immediately or upon such date as CMCC, in its sole discretion, shall designate in such notice,

E. Notwithstanding Article XIV of this Agreement, CMCC may terminate this Agreement upon thirty (30) days written notice to Licensee if Licensee or Licensee's Affiliates

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challenge or seek to challenge the validity of any Patent Right licensed hereunder. The immediately preceding sentence shall apply to a Sublicensee and Its Affiliates (as well as Licensee and its Affiliates), but only if Licensee is able to obtain from such Sublicensee a similar "no challenge" provision for patent rights of Licensee licensed to such Sublicensee.

F. Licensee shall have the right to terminate this Agreement at any time upon three (3) months' prior written notice to CMCC, upon payment by Licensee of all amounts due CMCC through the effective date of termination.

G. Upon termination of this Agreement for any reason, nothing herein shall be construed to release either Party from any obligation that matured prior to the effective date of such termination.

H. If Licensee terminates this Agreement, Licensee shall make available to CMCC, for purposes of its evaluation of the future viability of the technology, a summary of its results and progress under the Development Plan made in connection with the decision to terminate development.

ARTICLE XVI. PAYMENTS, NOTICES, AND OTHER COMMUNICATIONS

All notices, reports and/or other communications made In accordance with this Agreement shall be sufficiently made or given if delivered by hand, delivered by facsimile (with mechanical confirmation of transmission), or sent by overnight receipted mail, postage prepaid, or by reasonable, customary and reliable commercial overnight carrier in general usage, and addressed as follows:

In the case of CMCC:

Executive Director
Technology & Innovation Development Office
Boston Children's Hospital
300 Longwood Avenue
Boston, MA 02115

Payments shall be transmitted by reliable means to the same addressee, payable to Boston Children's Hospital.

In the case of Licensee:

Chief Executive Officer
Scholar Rock, Inc.
300 Third Street, 4th Floor
Cambridge, MA 02142

or such other address as either Party shall notify the other in writing. **NOTICE SHALL BE EFFECTIVE UPON RECEIPT**.

ARTICLE XVII. GENERAL PROVISIONS

A. All rights and remedies hereunder will be cumulative and not alternative. This Agreement shall be construed and governed by the laws of the Commonwealth of Massachusetts without regard for any principle for the conflict of laws.

B. This Agreement may be amended only by written agreement signed by the Parties.

C. It is expressly agreed by the Parties hereto that CMCC and Licensee are independent contractors and nothing in this Agreement is intended to create an employer relationship, joint venture, or partnership between the Parties. No Party has the authority to bind the other.

D. Intentionally omitted.

E. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all proposals, representations, negotiations, agreements and other communications between the Parties, whether written or oral, with respect to the subject matter hereof. Where inconsistent with the terms of any contemporaneous related agreements (such as sponsored research agreements), terms in this Agreement shall control.

F. If any provisions of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be Impaired thereby.

G. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original as against the Party whose signature, appears thereon, but all of which taken together shall constitute but one and the same instrument. This Agreement may be executed by facsimile or other form of electronic transmission, including pdf.

H. The failure of either Party to assert a right to which it is entitled, or to insist upon compliance with any term or condition of this Agreement, shall not constitute a waiver of that right or excuse a similar subsequent failure to perform any such term or condition by the other Party.

I. Licensee agrees to mark any Licensed Products sold in the United States with all applicable United States patent numbers. Licensed Products shipped to or sold in other countries shall be marked In such a manner as to conform with the patent laws and practices of the country of manufacture or sale.

J. Each Party hereto agrees to execute, acknowledge and deliver such further instruments as may be necessary or reasonably appropriate to carry out the purposes and intent of this Agreement.

K. The paragraph headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

[remainder of this page Intentionally left blank]

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IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date last written below.

CHILDREN'S MEDICAL CENTER CORPORATION		SCHOLAR ROCK, INC.	
By:	_____	By:	_____
Name:	_____	Name:	Nagesh Mahanthappa
Title:	_____	Title:	President and CEO
Date:	_____	Date:	_____

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APPENDIX 1
Patent Rights

1. [***].

2. [***].

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APPENDIX 2
Development Plan

[***]

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OPTION AND LICENSE AGREEMENT

BY AND BETWEEN

SCHOLAR ROCK, INC. AND

JANSSEN BIOTECH, INC.

DATED AS OF DECEMBER 17, 2013

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OPTION AND LICENSE AGREEMENT

THIS OPTION AND LICENSE AGREEMENT (this "**Agreement**") is dated as of December 17, 2013 (the "**Effective Date**") by and between Scholar Rock, Inc., a Delaware company having its principal place of business at 300 Third St., 4th Floor, Cambridge, MA 02142 ("**Scholar Rock**"), and Janssen Biotech, Inc., a Pennsylvania corporation having its principal place of business at 800/850 Ridgeview Drive, Horsham, PA 19044 ("**JBI**"). Scholar Rock and JBI are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**".

RECITALS

WHEREAS, Scholar Rock is conducting early stage drug discovery research efforts to develop drugs that target the transforming growth factor beta and the bone morphogenetic protein families of proteins;

WHEREAS, Scholar Rock and JBI shall establish a collaborative research program to generate Licensed Products for use in the Field; and

WHEREAS, JBI desires to obtain from Scholar Rock an exclusive option to research, develop, make and sell Licensed Product for use in the Field, and Scholar Rock desires to grant such rights to JBI on the terms and conditions set out herein.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants contained herein, the Parties, intending to be legally bound, agree as follows:

ARTICLE 1
DEFINITIONS

The following terms shall have the following meanings as used in this Agreement:

1.1 "**Abandonment**" means if, at any time (i) Scholar Rock fails to initiate or conduct (or cause to be initiated or conducted) any material discovery or research activity for the Collaboration Molecules for a continuous period of [***], or (ii) Scholar Rock fails to comply with its diligence obligation pursuant to Section 3.1. For clarity, in no way shall this definition be construed to mean that the conduct described in subsection (i) would not be a breach of diligence obligations described in subsection (ii). For further clarity, (a) so long as Scholar Rock employs simultaneously a minimum of [***] actively and diligently performing the Program Plan, there shall be no "Abandonment" under clause (i), and (b) in the event there is a dispute between the Parties regarding whether a Collaboration Molecule having satisfied the criteria of Exhibit G and having a specific Pharmacological Profile has achieved Lead Criteria for such Collaboration Molecule to be Lead Molecule for such Pharmacological Profile, then so long as Scholar Rock is acting in good faith in its argument that such Lead Criteria has been achieved by such Collaboration Molecule, there shall be no "Abandonment" under clause (ii).

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1.2 "**Accounting Standards**" means Generally Accepted Accounting Principles in the United States or the International Financial Reporting Standards, as appropriate.

1.3 "**Affiliate**" means a Person that controls, is controlled by or is under common control with a Party. For the purposes of this definition, the word "control" (including, but not limited to, with correlative meaning, the terms "controlled by" or "under common control with") as used with respect to any Party, shall mean the possession of at least 50% of the voting stock or other ownership interest of the other Person, or the power to direct or cause the direction of the management and policies of the Person or the power to elect or appoint at least 50% of the members of the governing body of the Person through the ownership of the outstanding voting securities or by contract or otherwise.

1.4 "**Antibody Specific Collaboration Know-How**" has the meaning set forth in Section 11.2.1(b).

1.5 "**Antibody Specific Collaboration Patents**" has the meaning set forth in Section 11.2.1(b).

1.6 "**Biosimilar Product**" means, with respect to a Licensed Product and on a country-by-country basis, a product that (a) is marketed for sale in such country by a Third Party (not licensed or otherwise permitted by JBI, its Affiliates or Sublicensees, except in the case of a compulsory license); (b) contains the corresponding Licensed Product, Lead Molecule, Collaboration Molecule, or substantial equivalent as an active pharmaceutical ingredient in such country; and (c) such product, as and to the extent required, is approved through an abbreviated process (similar, with respect to the United States, to an Abbreviated New Drug Applications under Section 505(j) of the Act (21 USC 355(j)) or is approved as a "Biosimilar Biologic Product" under Title VII, Subtitle A Biologies Price Competition and Innovation Act of 2009, Section 42 U.S.C. 262, Section 351 of the Public Health Service Act, or, outside the United States, in accordance with European Directive 2001/83/EC on the Community Code for medicinal products (Article 10(4) and Section 4, Part II of Annex I) and European Regulation EEC/2309/93 establishing the Community procedures for the authorisation and evaluation of medicinal products, each as amended, and together with all associated guidance, and any counterparts thereof or equivalent process outside of the US or EU to the foregoing, in each case that relies on or incorporates data generated by JBI or any of its Affiliates or Sublicensees for the corresponding Licensed Product under this Agreement in connection with such approval.

1.7 "**BLA**" means (a) a Biologies License Application as defined in the FD&C Act and the regulations promulgated thereunder, or (b) a Marketing Authorization Application ("**MAA**") in the EU, or (c) any equivalent or comparable application, registration or certification in any other country or region.

1.8 "**Business Day**" means a day on which banking institutions in Boston, Massachusetts, United States and Harrisburg, Pennsylvania, United States are open for business, excluding any Saturday or Sunday.

1.9 "**Claims**" means all charges, complaints, actions, suits, proceedings, hearings, investigations, claims and demands.

1.10 "**CMCC**" means the Children's Medical Center Corporation and any successor thereto.

1.11 "**CMCC In-Licensed Patents**" means any and all Patents licensed to Scholar Rock by CMCC pursuant to the In-License Agreement.

1.12 "**Collaboration Molecules**" means (i) [***] specified in Exhibit G attached hereto, and to have either the S/I Pharmacological Profile or the R/A Pharmacological Profile, (ii) [***], and (iii) [***].

1.13 "**Collaboration Patents**" means, collectively, the Scholar Rock Collaboration Patents, the JBI Collaboration Patents and the Joint Collaboration Patents.

1.14 "**Collaboration Term**" means the period during which the Parties will perform the Program Plan commencing on the Effective Date and terminating on the earlier of: (i) two (2) years from the Effective Date or (ii) such date as JBI has exercised its License Option for Collaboration Molecules with each of the Pharmacological Profiles. In case the Collaboration Term has terminated as described in subsection (i), the Collaboration Term may be extended for up to one (1) additional year by mutual written agreement of the Parties. In the event of termination of the Agreement prior to the end of the Collaboration Term, the Collaboration Term will be considered to have ended as of the Agreement termination date.

1.15 "**Combination Product**" means a product that includes a Collaboration Molecule or Lead Molecule and at least one additional other active ingredient.

1.16 "**Commercialization**" and "**Commercialize**" mean any and all activities directed to marketing, promoting, manufacturing for sale, packaging and distributing Licensed Product, offering for sale and selling of Licensed Product or importing Licensed Product for sale. When used as a verb, "Commercialize" means to engage in Commercialization.

1.17 "**Commercially Reasonable Efforts**" [***].

1.18 "**Control**" means, with respect to any intellectual property right or other tangible or intangible property, that a Party or one of its Affiliates owns or has a license or sublicense to such right, or property, and has the ability to grant access, license or sublicense to such right, or property, without violating the terms of any agreement or other arrangement with any Third Party in existence as of the time such Party or its Affiliate would first be required hereunder to grant the other Party such access license or sublicense or requiring any payment by such Party or its Affiliates to any such Third Party under any such agreement or other arrangement.

1.19 "**Currency Hedge Rate**" is calculated as a weighted average hedge rate of the outstanding external foreign currency forward hedge contract(s) of Johnson & Johnson and its Affiliates with Third Party banks. The hedge contract(s) protects the transactional foreign exchange risk exposures of Johnson & Johnson and its Affiliates in compliance with internal policy ensuring or establishing a systematic build up of a yearly currency hedge rate(s) (i.e., to reduce the impacts of one-off foreign currency volatility), that has proper hedge effectiveness (*i.e.*, the hedge contract(s) is expected to be

effective in offsetting changes in the cash flow of the hedge contract(s) to changes in the cash flow related to the hedged exposure) and that is not speculative (*i.e.*, entering into a hedge contract(s) that does not reduce the risk of loss due to adverse currency movements and entering into hedge contract(s) associated with no underlying exposure).

1.20 "**Develop**" and "**Development**" means any and all activities necessary or desirable to develop a Licensed Product and to obtain and maintain Regulatory Approval of a Licensed Product, including, but not limited to, toxicology, clinical studies, quality assurance/quality control, delivery systems, formulation, statistical analysis, report writing, generation of data, product approval and registration activities and all other activities related thereto.

1.21 "**Dollars**" or "**$**"means the legal tender of the United States of America.

1.22 "**EMA**" means the European Medicines Agency or any successor agency thereto.

1.23 "**Exclusive License**" has the meaning set forth in Section 2.1.

1.24 "**EU**" means the European Union, as its membership may be constituted from time to time, and any successor thereto.

1.25 "**FDA**" means the United States Food and Drug Administration or any successor agency thereto.

1.26 "**FD&C Act**" means the United States Federal Food, Drug and Cosmetic Act, as amended.

1.27 "**Field**" means the diagnosis, therapeutic treatment and prevention, of all Indications in the field of human health.

1.28 "**Financing Failure**" [***].

1.29 "**First Commercial Sale**" means, on a Licensed Product-by-Licensed Product, country-by-country and Indication-by-Indication basis, the first commercial sale in an arms' length transaction of a Licensed Product to a Third Party by JBI or any of its Affiliates or Sublicensees in such country for such Indication following applicable BLA Approval of such Licensed Product in such country for such Indication.

1.30 "**FTE Rate**" shall mean the amount JBI shall pay Scholar Rock over a consecutive twelve (12) month period pursuant to Section 3.2 to support each FTE. The FTE Rate shall be $[***]US Dollars, unless otherwise agreed by the Parties in the Program Plan.

1.31 "**Full Time Equivalent**" or "**FTE**" shall mean the equivalent of a full-time scientist of Scholar Rock working one hundred percent (100%) of his or her scientific or technical work per year on, or directly related to, the conduct of activities of the Program Plan. Scientific or technical work includes research, experimental laboratory work, recording and writing up results, reviewing literature and references, holding scientific discussions, and managing and directing scientific or technical staff. Scientific or technical work on projects that are not part of the Program Plan shall not be included. The portion of an FTE year devoted to the Program Plan by a scientist working for or on behalf of Scholar Rock shall be determined based on the percentage of time that such scientist reported that he or she devoted to such scientific or technical work in each calendar month, using Scholar Rock's or the industry's standard time reporting methodology consistently applied.

1.32 "**GAAP**" means generally accepted accounting principles.

1.33 "**Governmental Authority**" means any court, tribunal, arbitrator, agency, legislative body, commission, official or other instrumentality of (a) any government of any country, (b) a federal, state, province, county, city or other political subdivision thereof or (c) any supranational body. For clarity, Governmental Authority shall include the FDA and the European Medicines Agency.

1.34 "**IND**" means an investigational new drug application filed with the FDA as more fully defined in 21 C.F.R. § 312.3.

1.35 "**Indication**" means a disease or pathological condition for which a separate pivotal trial and a separate BLA application is required for the purpose of obtaining a BLA approval.

1.36 "**In-License Agreement**" means the Exclusive License Agreement, dated December 17, 2013, between Scholar Rock and CMCC, as such agreement may be amended or restated in a manner that does not materially adversely affect JBI's rights under this Agreement.

1.37 "**JBI Applied Know-How**" means all Know-How that (a) is Controlled by JBI (or any of its Affiliates, licensors or Sublicensees) during the Term (other than as a result of the rights or licenses granted by Scholar Rock under this Agreement), and (b) is incorporated by or on behalf of JBI (or any of its Affiliates or Sublicensees) in any Licensed Product.

1.38 "**JBI Applied Patents**" means (a) any and all JBI Collaboration Patents and Joint Collaboration Patents, and (b) any and all Patents that (i) are Controlled by JBI (or any of its Affiliates) during the Term (other than as a result of the rights or licenses granted by Scholar Rock under this Agreement), including any and all Patents covering any inventions conceived by

JBI, its Affiliates or designees in connection with activities under this Agreement during the Term, and (ii) the subject matter of the claims of which is incorporated in any Collaboration Molecule or Licensed Product or any method of making or using the same.

1.39 "**JBI Accounting Quarter**" means a financial quarter based on the J&J Universal Calendar for that year (a copy of which is attached hereto as Exhibit E for 2013 and 2014) that is used by JBI and its Affiliates for internal and external reporting purposes; provided, however, that the first JBI Accounting Quarter for the first JBI Accounting Year extends from the Effective Date to the end of the then current JBI Accounting Quarter and the last JBI Accounting Quarter extends from the first day of such JBI Accounting Quarter until the effective date of the termination or expiration of the Agreement.

1.40 "**JBI Accounting Year**" means a year based on the J&J Universal Calendar for that year.

1.41 "**JBI Collaboration Patents**" has the meaning set forth in Section 11.2.1(a).

1.42 "**Joint Collaboration Patents**" has the meaning set forth in Section 11.2.1 (a).

1.43 "**Joint Patents**" means all Patents covering inventions jointly conceived by JBI and Scholar Rock during the Term, including, without limitation, any and all Joint Collaboration Patents.

1.44 "**Know-How**" means any information which is not in the public domain including, but not limited to, inventions, discoveries, concepts, data, formulae, ideas, specifications, procedures for experiments and tests and results of experiments, experimentation and testing, results of research and development, laboratory records, clinical trial data, case reports, data analysis and summaries, and information in submissions to and information from ethics committees and Governmental Authorities.

1.45 "**Law**" or "**Laws**" means all applicable laws, statutes, rules, codes, regulations, guidelines, orders, judgments and/or ordinances of any Governmental Authority having jurisdiction over the Development, Manufacture and/or Commercialization of Licensed Product.

1.46 "**Lead Criteria**" means the criteria for a Collaboration Molecule to become a Lead Molecule specified in Exhibit B.

1.47 "**Lead Molecule**" means a Collaboration Molecule that satisfies the Lead Criteria as determined by the Program Committee and confirmed by JBI acting in good faith.

1.48 "**License Option**" has the meaning set forth in Section 2.1.

1.49 "**Licensed Product**" means any pharmaceutical product in finished form that incorporates a Lead Molecule or Collaboration Molecule as an active ingredient and all formulations, dosages and delivery systems thereof. For clarity, a Combination Product shall be

considered a Licensed Product, however, this inclusion shall not be read to provide a license to JBI, its Affiliates or its Sublicensees for any other active ingredient in a Combination Product that is not a Collaboration Molecule or Lead Molecule, under intellectual property (including Patents and Know-How) of Scholar Rock or any of its Affiliates claiming, covering or with respect to, such other active ingredient on a stand-alone basis apart from its inclusion in the Combination Product.

1.50 "**Licensed Technology**" means the Scholar Rock Know-How and the Scholar Rock Patents.

1.51 "**Losses**" means any and all damages, awards, deficiencies, settlement amounts, defaults, assessments, fines, dues, costs, fees, liabilities, obligations, taxes, liens, losses, and expenses (including, but not limited to, reasonable attorneys' fees, court costs, interest and reasonable fees of accountants and other experts).

1.52 "**Manufacture**" means all activities related to the manufacture of Collaboration Molecules, Lead Molecules and/or Licensed Products including, but not limited to, manufacturing supplies for Development and Commercialization, packaging, in-process and finished product testing, release of product or any component or ingredient thereof, quality assurance and quality control activities related to manufacturing and release of product, ongoing stability tests, storage, shipment, and regulatory activities related to any of the foregoing.

1.53 "**Net Sales**" means the gross amount invoiced on sales of Licensed Product in the Territory by JBI, its Affiliates and Sublicensees to any Third Party purchaser in an arms-length transaction, less the following deductions determined in accordance with Accounting Standards consistently applied, to the extent specifically and solely allocated to such Licensed Product and actually taken, paid, accrued, allowed, included or allocated, based on good faith estimates, in the gross sales price with respect to such sales and not reimbursed by such Third Party. Good faith estimates will be employed to appropriately reflect and report Net Sales in a given Universal Quarter under relevant Accounting Standards. All good faith estimates used in the reflection and reporting of Net Sales and that serve as the basis for the calculation of milestone and royalty payments due to Scholar Rock will be trued up to actualized amounts in subsequent Universal Quarters in adherence with Accounting Standards:

(i) normal and customary trade, cash and/or quantity discounts, allowances, fees (or administrative fees), and credits allowed or paid, in the form of deductions actually allowed or fees actually paid with respect to sales of such Licensed Product (to the extent not already reflected in the amount invoiced) excluding commissions for commercialization;

(ii) retroactive price reductions, allowances or credits actually granted upon rejections or returns of Licensed Product, including for recalls or damaged goods and billing errors;

(iii) discounts, chargeback payments, rebates, and reimbursements (or equivalent thereof) actually granted to managed health care organizations, group purchasing organizations or other buying groups, pharmacy benefit management companies (or equivalent thereof), health maintenance organizations, federal, state/provincial, local or other governments or their agencies or purchasers, reimbursers or trade customers, and any other providers of health insurance coverage, health care organizations or other health care institutions (including hospitals), health care administrators or patient assistance or other similar programs;

(iv) compulsory payments and cash rebates related to the sales of such Licensed Product actually paid to a Governmental Authority (or agent thereof) pursuant to governmental regulations by reason of any national or local health insurance program or similar program, to the extent allowed and taken; including government levied fees as a result of healthcare reform policies;

(v) outbound freight, shipping, insurance and other transportation expenses to the extent included in the price and separately itemized on the invoice price;

(vi) tariffs; duties; excise, sales, use, value-added and other similar taxes (other than taxes based on income); customs duties; or other government charges, in each case imposed on the sale of such Licensed Product to the extent included in the price and separately itemized on the invoice, including VAT, but only to the extent that such VAT are not reimbursable or refundable; and

(vii) amounts previously included in Net Sales of Licensed Product that are written off as uncollectible debt after reasonable collection efforts, in accordance with standard practices of the applicable party, provided that if the debt is thereafter paid, the corresponding amount shall be added to the Net Sales of the period during which it is paid.

All aforementioned deductions shall only be allowable to the extent they are commercially reasonable and shall be determined, on a country-by-country basis, as incurred in the ordinary course of business in type and amount consistent with JBI's, the Affiliate's, or Sublicensee's (as the case may be) business practices consistently applied across its product lines and accounting standards and verifiable based on its sales reporting system. No amount may be deducted twice even if it corresponds to more than one of the categories listed above.

Notwithstanding anything in this Agreement to the contrary, the transfer of a Licensed Product between or among JBI, its Affiliates and Sublicensees (and Affiliates of the Sublicensees) will not be considered a sale, provided, that in the event an Affiliate or Sublicensee is the end-user of a Licensed Product, the transfer of a Licensed Product to such Affiliate or Sublicensee shall be included in the calculation of Net Sales at the average selling price charged in an arm's length sale to a Third Party who is not an Affiliate or Sublicensee (or an Affiliate of the Sublicensee) in the relevant period. Net Sales will include the cash consideration received on a sale and the fair market value of all non-cash consideration.

[***] INDICATES MATERIAL THAT HAS BEEN OMITTED AND FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED. ALL SUCH OMITTED MATERIAL HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO RULE 406 PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED

Disposition of a Licensed Product for, or use of a Licensed Product in, clinical trials or other scientific testing, as free samples, or under compassionate use, named patient sales, patient assistance, or test marketing programs or other similar programs or studies where a Licensed Product is supplied without charge shall not result in any Net Sales however if JBI or any of its Affiliates or Sublicensees charges for such Licensed Product, the amount billed will be included in the calculation of Net Sales, but for the sake of clarity such disposition or use of a Licensed Product shall never constitute a First Commercial Sale.

In the event a Licensed Product is sold in a bundle with other products from JBI, its Affiliates or Sublicensees (a "**Bundled Product**") and the customer receives a specific discount for such "bundling" of products (for clarity, this situation describes bundling of two or more separate products, each in finished dosage form, and not a fixed combination of two active pharmaceutical ingredients), the Net Sales of any Bundled Product, for the purposes of determining milestone or royalty payments due under this Agreement, shall be determined by multiplying the relevant Net Sales by the fraction, A/(A+**B**) where A is the weighted (by sales volume) average sale price in a particular country of the Licensed Product in the previous JBI Accounting Year when sold separately and B is the weighted average sale price in that country in the previous JBI Accounting Year of the other products sold separately. In the event that such average sale price cannot be determined for either the Licensed Product(s) or the other product(s) in the Bundled Product, for purposes of determining the milestone or royalty payments due under this Agreement, the bundling discount granted shall be considered as having been granted in its entirety with respect to the other product(s) only and shall not be applied to the sales of any Licensed Product(s).

Net Sales of any Combination Product for the purpose of determining milestone or royalty payments due under this Agreement shall be calculated on a country-by-country basis by multiplying the Net Sales of the Licensed Product by the fraction X/(X+Y), where X is the price of the Licensed Product component when sold separately in a country and Y is the price of the other active ingredient(s) included in the Licensed Product when sold separately in such country. If, on a country-by-country basis, neither the Licensed Product component nor the other active ingredient(s) of the Licensed Product is sold separately in said country, Net Sales for the purposes of determining milestone or royalty payments due under this Agreement in connection with the Licensed Product shall be attempted to be determined by the Parties in good faith based on the relative selling price of the analogous Licensed Product component and the additional active ingredient(s) included in the Licensed Product.

1.54 "**New Molecular Entity Designation**" shall mean the JBI internal designation that a Collaboration Molecule has achieved new molecular entity status at JBI or its Affiliate upon fulfillment of the criteria specified in Exhibit D.

1.55 "**Option Period**" means, on a Pharmacological Profile-by-Pharmacological Profile basis, the time period commencing on the Effective Date and terminating upon the earlier of (i) exercise of the License Option for such Pharmacological Profile pursuant to Section 2.2.1

or Section 2.2.2, or (ii) expiry of the License Option for such Pharmacological Profile as set forth in Section 2.2.

1.56 "**Patent**" means patents and patent applications and all substitutions, divisions, continuations, continuations-in-part, any patent issued with respect to any such patent applications, any reissue, reexamination, utility models or designs, renewal or extension (including any supplementary protection certificate) of any such patent, and any confirmation patent or registration patent or patent of addition based on any such patent, and all counterparts thereof in any country.

1.57 "**Person**" means any natural person, corporation, firm, business trust, joint venture, association, organization, company, partnership or other business entity, or any government, or any agency or political subdivisions thereof.

1.58 "**Pharmacological Profile(s)**" means either the R/A Pharmacological Profile or the S/I Pharmacological Profile or both, as the context requires.

1.59 "**Phase 1 Study**" means, wherever in the world conducted, a clinical study in humans of a pharmaceutical product, the principal purpose of which is preliminary determination of safety, including the preliminary testing of a dosage range and the observation of possible side effects, or that would otherwise satisfy the requirements of 21 C.F.R. § 312.21(a) in the U.S., or its foreign equivalent.

1.60 "**Phase 2 Study**" means, wherever in the world conducted, a pilot clinical study in humans of the short-term side effects and risks associated with a product and its efficacy for the indication under investigation in such study, or that would otherwise satisfy the requirements of 21 C.F.R. § 312.21(b) in the U.S., or its foreign equivalent.

1.61 "**Phase 3 Study**" means, wherever in the world conducted, a study in humans of the safety and efficacy of a product, which is prospectively designed to demonstrate statistically whether such product is safe and effective for use in the indication under investigation in a manner sufficient to file to obtain BLA approval to market and sell that product in the U.S. or any other country for the indication under investigation in such study or that would otherwise satisfy the requirements of 21 C.F.R. § 312.21(c) in the U.S., or its foreign equivalent.

1.62 "**Promotional Materials**" means all written, printed, video or graphic advertising, promotional, educational and communication materials for marketing, advertising and promoting of Licensed Product.

1.63 "**Program Committee**" has the meaning set forth in Section 3.9.

1.64 "**Program Plan**" has the meaning set forth in Section 3.3.

1.65 "**R/A Pharmacological Profile**" means, with respect to a Collaboration Molecule, [***].

1.66 "**Regulatory Approval**" means a BLA, together with all other approvals (including, but not limited to, where applicable, pricing and reimbursement approval and schedule classifications), product and/or establishment licenses, registrations or authorizations (including, but not limited to, marketing authorizations) of any Governmental Authority that may be necessary for the marketing, sale and commercialization of a pharmaceutical product in any country or region in the Territory.

1.67 "**Regulatory Exclusivity**" means exclusive marketing rights or data exclusivity rights conferred by a Governmental Authority with respect to a Licensed Product preventing a product other than such Licensed Product from receiving BLA approval by relying on any data obtained or submitted for such Licensed Product, which exclusive marketing rights or data exclusivity rights are granted upon approval of a Licensed Product in the country in question in the US pursuant to 42 U.S.C. §§ 262(k)(**7**) and 262(m)(2)(A) and in the EMA pursuant to European Directive 2001/83/EC on the Community Code for medicinal products (Article 10) (for example, as of the Effective Date, the longest period of Regulatory Exclusivity in the US is twelve (12) years (with an additional six (6) months if there is pediatric exclusivity), eight (8) years in Japan, and between eight (8) and eleven (11) years in the EU) and analogous provisions in countries other than the US or in EU. For clarity, Regulatory Exclusivity does not include exclusivity rights pursuant to 42 U.S.C. § 262(m)(2)(B) and analogous provisions in countries other than the US, for example, orphan drug exclusivity.

1.68 "**Regulatory Materials**" means regulatory applications, submissions, notifications, communications, correspondence, registrations, Regulatory Approvals and/or other filings made to, received from or otherwise conducted with a Governmental Authority that are related to Developing, Manufacturing, obtaining marketing authorization, marketing, selling or otherwise Commercializing a Licensed Product in a particular country or regulatory jurisdiction.

1.69 "**Royalty Term**" means the period of time beginning upon the First Commercial Sale, on a Licensed Product-by-Licensed Product basis and on a country-by-country basis, until the latest to occur of: (i) expiration of the last to expire Valid Claim of a Scholar Rock Patent or Joint Patent covering the composition-of-matter or method of use of such Licensed Product in such country (*i.e.*, which would absent the license to such Valid Claim be infringed by the importation, manufacture, use or sale of such Licensed Product in such country), (ii) the tenth (10th) year anniversary of the First Commercial Sale of such Licensed Product in such country, or (iii) termination or expiration of the Regulatory Exclusivity for such Licensed Product in such country.

1.70 "**scFvs**" has the meaning set forth in Section 1.12.

1.71 "**Scholar Rock Know-How**" means all Know-How Controlled by Scholar Rock as of the Effective Date or during the Term that is reasonably necessary or useful to develop,

make or use Collaboration Molecules or Lead Molecules, or to develop, make, use, import, offer to sell or sell Licensed Product in the Field.

1.72 "**Scholar Rock Collaboration Patents**" has the meaning set forth in Section 11.2.1(a).

1.73 "**Scholar Rock Core Patents**" means all Scholar Rock Patents, other than the Scholar Rock Collaboration Patents and the Joint Collaboration Patents.

1.74 "**Scholar Rock Patents**" means all Patents Controlled by Scholar Rock as of the Effective Date that claim Collaboration Molecules, Lead Molecules and/or Licensed Products or the making, using or selling of Collaboration Molecules, Lead Molecules and/or Licensed Products. The Scholar Rock Patents as of the Effective Date are those listed in Exhibit A hereto. The Scholar Rock Patents shall also include, subject to Section 15.10 (Consequences of Scholar Rock Industry Transaction), any Patents that claim Collaboration Molecules, Lead Molecules and/or Licensed Products or the making, using or selling of Collaboration Molecules, Lead Molecules and/or Licensed Products that Scholar Rock may come to Control during the Term, including, without limitation, any and all Scholar Rock Collaboration Patents and Joint Collaboration Patents.

1.75 "**S/I Pharmacological Profile**" means, with respect to a Collaboration Molecule, [***].

1.76 "**Sublicensee**" means a Third Party to which JBI or its Affiliate has granted or grants rights, as permitted under Section 2.3, to develop, make, have made, use, import, sell, have sold or offer for sale Licensed Product(s), or any further sublicensee of such rights (regardless of the number of tiers, layers or levels of sublicenses of such rights).

1.77 "**Tax**" or "**Taxes**" means any present or future taxes, levies, imposts, duties, charges, assessments or fees of any nature (including any interest thereon).

1.78 "**Territory**" means worldwide.

1.79 "[***]**Constructs**" means, collectively, Construct 1 and Construct 2, both as more specifically described on Exhibit H.

1.80 "**Third Party**" means any entity other than Scholar Rock or JBI or their respective Affiliates.

1.81 "**Universal Quarter**" means a calendar quarter based on the J&J Universal Calendar for that year (defined on Exhibit E) and shall be updated by J&J for each Universal Year of the Term consistent with the J&J Universal Calendar used for J&J's internal business purposes; provided, however, that the first universal quarter for the first Universal Year shall extend from the Effective Date to the end of the then current Universal Quarter and the last

Universal Quarter shall extend from the first day of such Universal Quarter until the effective date of the termination or expiration of the Agreement.

1.82 "**Universal Year**" means a calendar year (which shall be a 12-month period) during the Term correlating to the J&J Universal Calendar for that year. The last Universal Year of the Term shall begin on the first day of the J&J Universal Calendar Year for the year during which termination or expiration of the Agreement will occur, and the last day of such Universal Year shall be the effective date of such termination or expiration.

1.83 "**US**" means the United States of America and its territories, possessions and commonwealths.

1.84 "**Valid Claim**" means a claim of a Patent that (a) has not been rejected, revoked or held to be invalid or unenforceable by a court or other authority of competent jurisdiction, from which decision no appeal can be further taken or (b) has not been finally abandoned, disclaimed or admitted to be invalid or unenforceable through reissue or disclaimer. In order to be a Valid Claim, any claim being prosecuted in a pending patent application must be prosecuted in good faith and not have been pending for more than [***] from the date of the first substantive office action issued by the applicable patent registration authority for the earliest of the patent applications in the patent application family in the country in question, in which case it shall cease to be considered a Valid Claim until the patent issues and recites said claim; provided, however, that, with respect to the CMCC In-Licensed Patents, Valid Claim as used in this Agreement shall have the meaning given to such term in the In-License Agreement.

ARTICLE 2
LICENSES AND OTHER COVENANTS

2.1 License and Option Grant.

2.1.1 Scholar Rock hereby grants to JBI during the Option Period a non-exclusive, sublicenseable (as specified below in Section 2.3) license under all Licensed Technology to research, develop, and use the Collaboration Molecule(s) and/or Lead Molecule(s) for use in the Field

and in the Territory. For clarity, JBI shall not have a license from Scholar Rock to Commercialize any Collaboration Molecule, Lead Molecule or Licensed Product unless and until JBI has exercised its License Option in accordance with Section 2.2 for Collaboration Molecules with such Pharmacological Profile. Scholar Rock hereby grants to JBI during the Option Period an exclusive option (the "**License Option**") to be exercised in accordance with Section 2.2 on a Pharmacological Profile-by-Pharmacological Profile basis, whereby, following exercise by JBI for Collaboration Molecules with such Pharmacological Profile and Scholar Rock's receipt of the Option Exercise Fee pursuant to Section 8.1, Scholar Rock grants to JBI an exclusive, sublicenseable (as specified below in Section 2.3) license under all Licensed Technology to research, develop, use, make, have made, import, obtain regulatory approval, sell, offer to sell and otherwise Commercialize the Collaboration Molecule(s), Lead Molecule(s) and/or Licensed Product(s) with such Pharmacological Profile for use in the Field

and in the Territory (the "**Exclusive License**"). Notwithstanding the foregoing Exclusive License, (a) Scholar Rock and its Affiliates shall retain the right to use all Collaboration Molecules and Lead Molecules for internal, non-clinical research purposes but without the right to publish on these activities or transfer or grant a non-exclusive or exclusive research license to any Third Party (except upon providing written advance notice to JBI of such activities on a fee-for-service basis with contract research organizations and other service providers to conduct research activities for Scholar Rock and its Affiliates more than twelve (12) months after JBI's exercise of the License Option for a Pharmacological Profile and for those Collaboration Molecules that are not (i) Lead Molecules, (ii) incorporated into a Licensed Product, (iii) backup molecules of Lead Molecules used by JBI of which JBI notifies Scholar Rock in writing, or (iv) any active binding fragment or other derivative of the foregoing items (i)-(iii)), and (b) Scholar Rock and its Affiliates shall retain the right under the Licensed Technology to perform (or to have performed by permitted subcontracting as provided in Section 3.1) its activities under the Program Plan and otherwise only in furtherance of the research and development activities to be conducted by Scholar Rock and its Affiliates during the Collaboration Term.

2.1.2 The CMCC In-Licensed Patents are included in the non-exclusive license granted to JBI during the Option Period on the terms set forth in Section 2.1.1 and, if JBI exercises the License Option, in the Exclusive License (but only to the extent that Scholar Rock, as of such exercise date, has exclusive rights to such CMCC In-Licensed Patents under its agreement with CMCC) granted to JBI following such exercise date on the terms set forth in Section 2.1.1, provided however that JBI agrees to comply as of the Effective Date with the additional terms imposed by CMCC as set out in Exhibit I.

2.2 Option Exercise.

2.2.1 Voluntary Exercise. At any time from the Effective Date until the end of the Collaboration Term, JBI may exercise the License Option for Collaboration Molecule(s) with either Pharmacological Profile existing as of such time by providing written notice to Scholar Rock of its intent to exercise which will include any information necessary for Scholar Rock to invoice JBI for the Option Exercise Fee set forth in and payable in accordance with Section 8.1. Upon Scholar Rock's receipt of such Option Exercise Fee, the Exclusive License for such Collaboration Molecule(s) with such Pharmacological Profile existing as of the date of such exercise will automatically come into effect.

2.2.2 Automatic Exercise. On a Pharmacological Profile-by-Pharmacological Profile basis, Scholar Rock will notify the Program Committee upon designating that a Collaboration Molecule should be a Lead Molecule for such Pharmacological Profile based upon satisfaction of the Lead Criteria. Upon such notice, the Program Committee and JBI will have up to sixty (60) days immediately following such notification (the last day of such sixty (60) day period the "**Notification Deadline**") to verify such Lead Molecule's fulfillment of the Lead Criteria. In the event that the Program Committee's and JBI's assessment is that such Lead Molecule fulfills the Lead Criteria, JBI shall so notify Scholar Rock on or

before the Notification Deadline (a "**JBI Exercise Acknowledgment Notice**"), whereupon the License Option will be considered to be exercised by JBI for such Lead Molecule and all other Collaboration Molecules existing as of the date of such exercise, in each case, with such Pharmacological Profile and the Option Exercise Fee shall be payable in accordance with Section 8.1. In the event that JBI in good faith believes that such Lead Molecule for such Pharmacological Profile does not fulfill the Lead Criteria, it shall so notify Scholar Rock on or before the Notification Deadline and the License Option for such Pharmacological Profile will not be deemed exercised. Thereafter, without limitation of its diligence obligations under Section 3.1, Scholar Rock will continue to perform under the Program Plan in order to generate Lead Molecules for such Pharmacological Profile that fulfill the Lead Criteria through the end of the Collaboration Term. In the event that a Lead Molecule for a specific Pharmacological Profile has not been designated and JBI has not exercised the License Option voluntarily pursuant to Section 2.2.1 by the end of the Collaboration Term, any unexercised License Option will expire and the Agreement will terminate with respect to the applicable Pharmacological Profile and all Collaboration Molecules and Lead Molecules (including such in a Licensed Product) with such a Pharmacological Profile, and Scholar Rock shall retain all right, title and interest in and to such Collaboration Molecules, Lead Molecules and Licensed Products existing as of such termination date. Notwithstanding the foregoing, in the event that there is an uncured Abandonment pursuant to Sections 3.5.1 or 3.5.2, JBI may also exercise the License Option during the period contemplated in and on the conditions set out in Section 3.5.2. Upon exercise of the License Option for a Lead Molecule with a specific Pharmacological Profile and Scholar Rock's receipt of the Option Exercise Fee pursuant to Section 8.1, the Exclusive License for such Lead Molecule and all other Collaboration Molecules with the same Pharmacological Profile existing as of the date of such exercise will automatically come into effect.

2.2.3 Following JBI's exercise of the License Option for Collaboration Molecules and/or Lead Molecules with a specific Pharmacological Profile under either Section 2.2.1 or Section 2.2.2, except as otherwise provided herein, Scholar Rock's research and development obligations under the Program Plan with respect to such and other Collaboration Molecules and Lead Molecules with such Pharmacological Profile shall cease, provided that, as the Parties may mutually agree, including with respect to the scope and duration thereof, Scholar Rock may continue to perform certain research work on such existing Collaboration Molecules and/or Lead Molecules provided that Scholar Rock need not employ more than the number of FTEs designated in the Program Plan (then in effect on the date of JBI's exercise) and JBI continues to fund the same at least at the FTE Rate.

2.3 Sublicensing and Subcontracting. Subject to this Section 2.3, JBI shall have the right to grant sublicenses of the licenses granted to JBI in Section 2.1.1 under the Licensed Technology to (a) its Affiliates and (b) Third Parties. Scholar Rock shall be notified in writing within twenty (20) Business Days after the grant of any sublicense to a Third Party other than to subcontractors in the ordinary course of performing Development of Collaboration Molecules, Lead Molecules and Licensed Products (*i.e.*, Third Parties conducting activities for the benefit of JBI or its Affiliates but that do not obtain any rights to develop and/or commercialize

Collaboration Molecules, Lead Molecules and/or Licensed Product for their own benefit) in which case such notification is not required; such notification shall include, but not be limited to, a description of the rights to be granted, the identity of the sublicensee and the scope. In addition, JBI shall have the right to subcontract for the performance of its obligations hereunder. Each sublicense or subcontract hereunder shall (i) be subject and subordinate to the terms and conditions of this Agreement and prohibit any further sublicensing except in accordance with the conditions set out in this Section 2.3, (ii) contain terms and conditions which are consistent with the terms and conditions of this Agreement, (iii) not in any way diminish, reduce or eliminate any of JBI's obligations under this Agreement, (iv) impose on the sublicensee or subcontractor all applicable obligations under the terms of this Agreement, including, but not limited to, the confidentiality and restricted use, intellectual property assignment, reporting, audit, inspection and confidentiality provisions hereunder, and (v) provide that, in the event that this Agreement is terminated, such sublicense or subcontract shall automatically terminate (unless Scholar Rock or any of its licensors, in its sole discretion, elects to assume the rights and obligations of JBI under such sublicense or subcontract). JBI shall be entirely and directly liable to Scholar Rock for any Losses suffered by Scholar Rock as a result of actions or omissions by any sublicensees or subcontractors that would, if such actions or omissions had been those of JBI, have caused JBI to be in breach of its obligations under this Agreement, and Scholar Rock shall have the right to proceed directly against JBI without any obligation to first proceed against such sublicensees or subcontractors.

2.4 No Implied Licenses. Except as expressly provided in this Agreement, neither Party grants to the other Party any right or license in any intellectual property, whether by implication, estoppel or otherwise. No implied licenses are granted under this Agreement.

2.5 Non-Competition. [***].

ARTICLE 3
ACTIVITIES DURING COLLABORATION TERM

3.1 Program Plan and Responsibility. During the Collaboration Term, Scholar Rock shall use Commercially Reasonable Efforts, using at least the number of FTEs designated in the Program Plan, (i) to generate the [***] that meet the criteria specified Exhibit H, (ii) to conduct hybridoma generation, phage display screening for antibodies, and performance of assays to identify at least [***] Collaboration Molecules for each Pharmacological Profile for evaluation as the Lead Molecule, including producing and purifying such Collaboration Molecules to a level of approximately [***] meeting specified quality criteria and delivering the same as full length human and/or humanized antibodies to JBI, and (iii) to perform such other discovery and research in accordance with the Program Plan. Upon prior written notice to JBI, Scholar Rock shall have the right to subcontract to a Third Party the performance of any of its activities to be carried out under the Program Plan, provided that the use of such subcontractors is specified in the Program Plan, any such Third Party shall have entered into a written agreement with Scholar Rock that includes terms and conditions protecting and limiting use and disclosure of Confidential Information and Patents and Know-How at least to the same extent as

under this Agreement, and requiring such Third Party and its personnel to assign to Scholar Rock all right, title and interest in and to any Patents and Know-How conceived in connection with the performance of the subcontracted activities.

3.2 Research Funding. During the Collaboration Term, JBI shall fund activities under the Program Plan of up to [***] per year at the FTE Rate and, in addition, will reimburse Scholar Rock for up to $[***] US dollars in external research expenses incurred by Scholar Rock in fulfillment of Scholar Rock's obligations under the Program Plan and agreed to in advance by JBI as described in the Program Plan. FTE payments will be reimbursed on a Universal Quarterly basis. Scholar Rock shall provide JBI with an invoice of the prior Universal Quarter's FTE usage including reasonably detailed itemization which shall be due and payable within [***] days after receipt thereof in accordance with Section 9.1.2.

3.3 Program Plan. The Parties have agreed upon a detailed plan for the conduct of the discovery and research activities to be performed by the Parties with the goal of identifying, characterizing and optimizing Collaboration Molecules and Lead Molecules for each Pharmacological Profile (the "Program Plan," which is attached to this Agreement as Exhibit B). The Program Committee may amend the Program Plan during the course of the Collaboration Term in accordance with Section 3.9.2. In the event of any conflict or inconsistency between this Agreement and the Program Plan, the terms of this Agreement shall take precedence.

3.4 Collaboration Term. JBI may terminate the Collaboration Term with respect to a specific Pharmacological Profile or all activities thereunder upon ninety (90) days prior written notice to Scholar Rock or pursuant to Section 14.2, which shall not act as a termination of the Agreement with respect to a non-terminated Pharmacological Profile or Collaboration Molecules, Lead Molecules and/or Licensed Product for a specific Pharmacological Profile for which Pharmacological Profile JBI has exercised the License Option and paid the Option Exercise Fee to Scholar Rock prior to the date of termination of the Collaboration Term. If such termination by JBI occurs during the first year of the Collaboration Term for any reason other than (i) a breach of the terms of the Agreement by Scholar Rock pursuant to Section 14.2.2, (ii) a Financing Failure or (iii) an Industry Transaction by Scholar Rock, then JBI will be obligated to continue the payment of support of the Scholar Rock FTEs agreed in the then current Program Plan through the first anniversary of the

Effective Date. In the event that a Financing Failure occurs and JBI does not exercise its immediate right to terminate the Agreement pursuant to Section 14.2.1(b), JBI may cause the Collaboration Term and Program Plan to be suspended until such financing is obtained or may on its behalf or through an Affiliate, provide such financing on mutually agreed terms to be negotiated by JBI or its Affiliate and Scholar Rock. Upon early termination of the Collaboration Term by JBI other than as a result of a breach of the terms of this Agreement by Scholar Rock pursuant to Section 14.2.2, without limitation of any other provision of this Section 3.4 or elsewhere in this Agreement, JBI shall reimburse Scholar Rock for (a) expenses incurred under the Program Plan prior to the termination of the Collaboration Term, plus (b) all of Scholar Rock' reasonable non-cancelable expenses arising from its obligations under the Program Plan and any termination thereof (up to a maximum of

$[***]), provided that any amounts for Third Party costs for activities to be performed under the Program Plan, including reagents, that have been pre-paid by JBI (and for which work has not been performed and in the case of Third Party costs may be refunded to Scholar Rock) will be reimbursed to JBI.

3.5 Abandonment.

3.5.1 Abandonment Notice and Cure. At any time during the Collaboration Term, if there is Abandonment by Scholar Rock, JBI may deliver a written notice to Scholar Rock, at any time during which such Abandonment is outstanding. Upon receipt of such notice, Scholar Rock shall have the right to cure such Abandonment by (i) delivery of written evidence of research and discovery activities conducted prior to receipt of such notice sufficient to establish no Abandonment has occurred; or (ii) by providing to JBI, within thirty (30) days of receiving such notice, a commercially reasonable plan to cure such Abandonment and curing such Abandonment within sixty (60) days after delivering such plan.

3.5.2 Abandonment Effect. Commencing on such date that Scholar Rock fails to cure the Abandonment within the cure period defined in Section 3.5.1 above ending the date that there is no longer an Abandonment based on written documentation provided by Scholar Rock substantiating the activities it has performed and is performing to cease Abandonment, JBI may (in its sole discretion), without limitation to JBI's right to terminate the Agreement pursuant to Section 14.2.2 but shall not be obligated to, exercise the License Option. In such case, the Option Exercise Fee shall be owed and payable to Scholar Rock in accordance with Section 8.1 and the milestone payments contemplated in Section 8.2 and the royalties payment contemplated in Section 8.3 shall be reduced by [***] percent ([***]%) if at the time of JBI's exercise Scholar Rock does not have an obligation to pay royalties on Net Sales to a Third Party under any agreement with a Third Party for the generation of antibodies, excluding the In-License Agreement, or by [***] percent ([***]%) if Scholar Rock has an obligation to pay royalties on Net Sales to a Third Party under an agreement with a Third Party for the generation of antibodies, excluding the In-License Agreement.

3.6 Records and Reporting. Scholar Rock shall (and shall cause its Affiliates and sublicensees to) maintain current, complete and accurate records of all discovery and research activities conducted by it (or any of its Affiliates or sublicensees) in the performance of the Program Plan and all data and other information resulting from such activities (which records shall include, as applicable, books, records, reports, research notes, charts, graphs, comments, computations, analyses, recordings, photographs, computer programs and documentation thereof (e.g., samples of materials and other graphic or written data generated in connection with such activities)). Such records shall properly reflect all work done and results achieved in the performance of the Program Plan in sufficient detail and in good scientific manner appropriate for regulatory and patent purposes. During the Collaboration Term and subject to JBI's confidentiality obligations under ARTICLE 10, Scholar Rock shall provide JBI with reasonably detailed, written updates not less frequently than quarterly on its discovery and research activities conducted by it, including all analyses, results and raw data resulting from such activities that

were generated by Scholar Rock (or any of its Affiliates or Sublicensees, in the performance of the Program Plan, and shall provide copies to JBI of any material written notices received from or provided to Third Parties. In addition, Scholar Rock shall provide JBI with any materials, data and information generated pursuant to its discovery and research activities in the performance of the Program Plan and requested in writing by JBI, such materials, data and information to be provided promptly after such request.

3.7 Collaboration Molecules and Lead Molecules. During the Option Period upon request by JBI, Scholar Rock shall supply to JBI mutually agreed quantities of Collaboration Molecules and/or Lead Molecules to perform testing to confirm results reported by Scholar Rock and other properties relevant to the Collaboration Molecules and/or Lead Molecules in connection with JBI's evaluation of the properties of the Collaboration Molecules and/or Lead Molecules and/or JBI's decision to exercise the License Option for Collaboration Molecules and/or Lead Molecules for either or both Pharmacological Profiles.

3.8 Manufacturing. During the Option Period, and thereafter as may be mutually agreed by the Parties during a reasonable transition period if JBI has exercised the License Option for Collaboration Molecules and/or Lead Molecules for a Pharmacological Profiles and paid the Option Exercise Fee and is therefore assuming control of Manufacturing pursuant to Article 7 (JBI being responsible for all external, out-of-pocket costs associated with such activities during the transition period), Scholar Rock will be responsible for Manufacture and supply of Collaboration Molecules and Lead Molecules with such Pharmacological Profile for discovery and research activities.

3.9 Management and Governance. The Parties shall establish a joint program committee (the "**Program Committee**") within thirty (30) days after the Effective Date which shall remain in existence for the duration of the Collaboration Term. The Program Committee shall oversee the discovery and research activities during the Option Period and shall be a forum to facilitate communication and interaction between the Parties regarding the Program Plan, Collaboration Molecules and Lead Molecules during the Option Period. The Program Committee shall perform the following functions:

3.9.1 reviewing, coordinating and monitoring Program Plan activities and the status and progress of efforts in the conduct of the Program Plan, including, without limitation, review of raw data and sequences, design and guide the antibody engineering and consulting on all aspects of the activities to be conducted under the Program Plan;

3.9.2 updating the Program Plan which shall include a budget with quarterly splits of FTE costs and estimated out-of-pocket Third Party costs for the subsequent Calendar Year;

3.9.3 serving as a forum for exchange and discussion of the results of the Program and activities related to Licensed Product;

3.9.4 establish program subcommittees as mutually agreed by the Parties; and

3.9.5 have such other responsibilities as may be assigned to the Program Committee pursuant to this Agreement or as may be mutually agreed by the Parties in writing from time to time.

3.10 Program Committee Membership. Scholar Rock and JBI shall each designate three (3) representatives of appropriate seniority and experience to serve on the Program Committee by written notice to the other Party. Either Party may designate substitutes for its representatives if one (1) or more of such Party's designated representatives are unable to be present at a meeting. From time to time each Party may replace its representatives by written notice to the other Party specifying the prior representative(s) and their replacements). The Program Committee shall be co-chaired by a representative of each of JBI and Scholar Rock. One member of the Program Committee shall serve as secretary of the Program Committee at each Program Committee meeting, and the secretary shall alternate from meeting to meeting between a JBI Program Committee member and a Scholar Rock Program Committee member, with the secretary for the first Program Committee meeting being a JBI Program Committee Member. The chairpersons shall be responsible for (i) calling meetings and (ii) preparing and circulating an agenda for the upcoming meeting, provided that, the chairpersons shall consider including, but not limited to, any agenda items proposed by either Party no less than five (5) days prior to the next scheduled Program Committee meeting.

3.11 Joint Program Committee Meetings. The Program Committee shall hold at least one (1) meeting per calendar quarter at such times during such calendar quarter as it elects to do so; provided that, the Program Committee shall meet more or less frequently as JBI and Scholar Rock mutually agree (including more frequently as may be required to resolve disputes, disagreements or as otherwise required under this Agreement and each Party agrees not to unreasonably withhold its consent to hold such additional meetings). Meetings of the Program Committee shall be effective only if at least two (2) representatives of each Party are present or participating. The Program Committee may meet either (i) in person at either Party's facilities (with the location of such meetings alternating between the Parties' respective facilities following the initial such meeting) or at such locations as the Parties may otherwise agree or (ii) by audio or video teleconference; provided that, no less than one (1) meeting of the Program Committee during each per calendar year shall be conducted in person. Other representatives of each Party involved with the Collaboration Molecule, Lead Molecule or Licensed Product may attend meetings as non-voting participants, subject to the confidentiality provisions set forth in ARTICLE 10. Each Party shall be responsible for all of its own expenses incurred in connection with participating in the Program Committee meetings.

3.12 Decision-Making. The Program Committee may make decisions with respect to any subject matter that is subject to the Program Committee's decision-making authority and functions as set forth in Section 3.9. All decisions of the Program Committee shall be made by unanimous vote or written consent, with JBI and Scholar Rock each having, collectively, among

its respective members, one (1) vote in all decisions. The Program Committee shall resolve the matters within its roles and functions or otherwise referred to it; provided, that, if the Program Committee cannot reach consensus on a matter after such matter has been brought to the Program Committee's attention, then any dispute that cannot be resolved by the Program Committee shall be resolved as provided in Section 3.13.

3.13 Dispute Resolution Procedures. If after reasonable discussion and good faith consideration of each Party's view on a particular matter before the Program Committee, the Program Committee is still unable after a period of thirty (30) days (or such shorter period if a shorter period is necessary for taking such disputed action) to reach consensus with respect to such matter, the Parties shall follow the procedures of **Referral of Disputes to Senior Management** specified in Section 15.1.2. If the referral to senior management does not result in a decision by consensus, Scholar Rock shall have the authority to exercise its tie-breaking authority to make the final decision on such matter consistent with the terms of this Agreement and in good faith, provided that Scholar Rock shall not make any decision (i) that is inconsistent with the terms of this Agreement; (ii) that would materially change the Program Plan with respect to activities conducted or resources devoted by Scholar Rock without the prior written consent of JBI; or (iii) that would change the Lead Criteria without the prior written consent of JBI. In the event that any matter remains unresolved pursuant to this Section 3.13, then the matter shall be decided based on process shown in Section 15.1.

3.14 Limits on Program Committee Authority. The Program Committee shall have only the powers assigned expressly to it in Section 3.9 and elsewhere in this Agreement, and shall not have any power to amend, modify or waive compliance with this Agreement. In furtherance thereof, each Party shall retain the rights, powers and discretion granted to it under this Agreement and no such rights, powers or discretion shall be delegated or vested in the Program Committee unless such delegation or vesting of rights is expressly provided for in this Agreement or the Parties expressly so agree in writing.

3.15 Minutes of Program Committee Meetings. Definitive minutes of Program Committee meetings shall be finalized no later than thirty (30) days after the meeting to which the minutes pertain as follows:

3.15.1 Within ten (10) Business Days after a Program Committee meeting, unless otherwise agreed by the chairpersons of the Program Committee, the secretary shall prepare and distribute to all members of such committee draft minutes of the meeting. Such minutes shall provide a list of any issues yet to be resolved, either within the Program Committee or through the relevant resolution process.

3.15.2 The members of the Program Committee shall then have ten business (10) days after receiving such draft minutes to collect comments thereon and provide them to the secretary.

3.15.3 Upon the expiration of such second ten (10) Business Day period, the Parties shall have an additional ten (10) Business Days to discuss each other's comments and finalize the minutes. The acknowledgement of such chairperson(s) and secretary upon the final minutes shall indicate each Party's assent to the minutes.

ARTICLE 4
DEVELOPMENT AFTER EXERCISE OF THE LICENSE OPTION

4.1 Development Responsibility. After exercise of the License Option on a Pharmacological Profile-by-Pharmacological Profile basis, JBI shall be solely responsible for all Development of Collaboration Molecules, Lead Molecules and/or Licensed Products with such Pharmacological Profile.

4.2 Diligence. After exercise of the License Option on Pharmacological Profile-by-Pharmacological Profile basis, JBI shall use (and shall cause its Affiliates and Sublicensees receiving rights under this Agreement to use) Commercially Reasonable Efforts to perform Development activities required to enable JBI (or its Affiliates or Sublicensees, as applicable) to obtain Regulatory Approval for a first Licensed Product with such Pharmacological Profile in the US from the FDA and in [***] from the EMA.

4.3 Records and Reporting. After exercise of the License Option on a Pharmacological Profile-by-Pharmacological Profile basis, JBI shall (and shall cause its Affiliates and Sublicensees to) maintain current, complete and accurate records of all activities conducted by it (or any of its Affiliates or Sublicensees) with respect to Collaboration Molecules, Lead Molecules and/or Licensed Products with such Pharmacological Profile, and all data and other information resulting from such activities (which records shall include, as applicable, books, records, reports, research notes, charts, graphs, comments, computations, analyses, recordings, photographs, computer programs and documentation thereof (e.g., samples of materials and other graphic or written data generated in connection with such activities)). JBI shall provide Scholar Rock, subject to Scholar Rock's confidentiality obligations under ARTICLE X, with reasonably detailed, written, annual reports, and shall participate in annual meetings with Scholar Rock (on such dates and at such locations as the Parties may mutually agree), to provide Scholar Rock updates on the progress of JBI's Development activities.

4.4 Development Funding. After exercise of the License Option on a Pharmacological Profile-by-Pharmacological Profile basis, JBI (or, as applicable, its Affiliates and Sublicensees) shall be solely responsible for all costs and expenses associated with the Development of Collaboration Molecules, Lead Molecules and/or Licensed Products with such Pharmacological Profile incurred by JBI or its Affiliates or Sublicensees directly or indirectly.

4.5 Compliance. JBI shall, and shall cause its Affiliates and Sublicensees to, in all cases perform Development activities under this Article **4** in material compliance with all Laws.

ARTICLE 5
REGULATORY RESPONSIBILITIES AFTER EXERCISE OF THE LICENSE OPTION

5.1 Regulatory Approval. After exercise of the License Option on a Pharmacological Profile-by-Pharmacological Profile basis, JBI (or, as applicable, its Affiliates and Sublicensees) shall be solely responsible for all costs and expenses of preparing and filing all Regulatory Materials and seeking and maintaining all Regulatory Approvals for a Licensed Product with such Pharmacological Profile in the Field in the Territory, including, but not limited to, preparing all Regulatory Materials (including, but not limited to, in connection with labeling and packaging for such Licensed Product). JBI shall, and shall cause its Affiliates and Sublicensees, as applicable, to submit such Regulatory Materials for Regulatory Approval, to the applicable Governmental Authorities, and in all cases in compliance with all Laws.

5.2 Compliance. JBI shall, and shall cause its Affiliates and Sublicensees to, in all cases perform regulatory activities and other responsibilities under this Article 5 in material compliance with all Regulatory Approvals and all Laws.

ARTICLE 6
COMMERCIALIZATION AFTER EXERCISE OF THE LICENSE OPTION

6.1 Overview. Subject to the terms and conditions of this Agreement, after exercise of the License Option on a Pharmacological Profile-by-Pharmacological Profile basis, JBI (or, as applicable, its Affiliates and Sublicensees) shall be solely responsible for Commercializing Licensed Products with such Pharmacological Profile, and for any and all costs and expenses in connection therewith.

6.2 Records. Without limiting JBI's obligations under Section 9.2, after exercise of the License Option on a Pharmacological Profile-by-Pharmacological Profile basis, JBI shall (and shall cause its Affiliates and Sublicensees to) keep and maintain records of account relating to the

Commercialization of Licensed Products with such Pharmacological Profile (including, but not limited to, the sale, distribution, production, packaging, licensing, marketing or other exploitation thereof, as well as any licensing, sublicensing, grant of rights or other exploitation of the Scholar Rock Patents or Scholar Rock Know-How), which records shall contain clear particulars sufficient to enable Scholar Rock to confirm JBI's satisfaction of its obligations hereunder, as well as the calculation of royalties and other amounts payable to Scholar Rock hereunder.

6.3 Diligence. After exercise of the License Option on a Pharmacological Profile-by-Pharmacological Profile basis, JBI shall use (and shall cause its Affiliates and Sublicensees receiving rights under this Agreement to use) Commercially Reasonable Efforts to Commercialize approved Licensed Products with such Pharmacological Profile in the Territory. On a Pharmacological Profile-by-Pharmacological Profile basis, in the event JBI Commercializes a first Licensed Product with such Pharmacological Profile in the US and in

[***], then JBI shall be deemed to satisfy all diligence obligations to Commercialize Licensed Products with such Pharmacological Profile hereunder.

6.4 JBI's Performance. After exercise of the License Option on a Pharmacological Profile-by-Pharmacological Profile basis, JBI (or, as applicable, its Affiliates and Sublicensees) shall be solely responsible for Commercializing Licensed Products with such Pharmacological Profile, including, but not limited to: (a) receiving, accepting and filling orders for Licensed Products, (b) handling all returns of Licensed Products, (c) controlling invoicing, order processing and collection of accounts receivable for the sales of Licensed Products, (d) distributing and managing inventory of Licensed Products, and (e) with respect to the sale of Licensed Products in the Field, including, but not limited to, the price or prices at which each Licensed Product shall be sold, any discount applicable to payments or receivables, and similar matters.

6.5 Trademarks, Trade Dress and Promotional Materials.

6.5.1 After exercise of the License Option on a Pharmacological Profile-by-Pharmacological Profile basis, JBI shall have the right to select, register and own the trademarks, trade dress, logos, slogans and internet domain names, including, without limitation, any of the foregoing for Licensed Product with such Pharmacological Profile for use in the Field (collectively, the "**Product Trademarks and Trade Dress**") during the Term. All uses of the Product Trademarks and Trade Dress by JBI to identify and/or in connection with the Commercialization of a Licensed Product with such Pharmacological Profile in the Field shall be in accordance with the applicable Regulatory Approvals and all Laws. JBI shall own all rights to the Product Trademarks and Trade Dress (in each case, together with all goodwill associated therewith).

6.5.2 JBI, in its sole discretion and at its sole cost and expense, shall create and develop Promotional Materials for Licensed Product, with any such Promotional Materials being in accordance with the Regulatory Approvals and Laws.

6.6 Compliance. JBI shall, and shall cause its Affiliates and Sublicensees to, in all cases perform Commercialization activities under this Article 6 in material compliance with all Regulatory Approvals and all Laws.

ARTICLE 7
MANUFACTURING AFTER EXERCISE OF THE LICENSE OPTION

7.1 Transfer of Manufacturing. After exercise of the License Option on a Pharmacological Profile-by-Pharmacological Profile basis, (a) Scholar Rock shall (and shall cause its Affiliates and agents to) transfer to JBI, at JBI's cost and expense for external, out-of-pocket costs associated with such activities, all manufacturing related documents and related materials and related information Controlled by Scholar Rock that may be reasonably necessary or useful for JBI to Manufacture or have Manufactured Collaboration Molecules, Lead

Molecules and/or Licensed Product with such Pharmacological Profile; and (b) as may be reasonably requested by JBI, Scholar Rock shall also use Commercially Reasonable Efforts to transfer to JBI all rights Scholar Rock may have in any agreements with Third Parties related to Manufacturing of Collaboration Molecules, Lead Molecules and/or Licensed Product with such Pharmacological Profile, provided Scholar Rock has such right to transfer without any payment obligation to such Third Parties under such agreements or, if there is a payment obligation, JBI reimburses Scholar Rock for costs incurred under any such obligation.

7.2 Manufacturing. After exercise of the License Option on a Pharmacological Profile-by-Pharmacological Profile basis, JBI will be solely responsible for the Manufacture and supply of Collaboration Molecules, Lead Molecules and/or Licensed Product with such Pharmacological Profile for Development and Commercialization.

7.3 Costs and Expenses. Unless otherwise agreed by the Parties, all costs and expenses of Manufacturing and supplying Collaboration Molecules, Lead Molecules and/or Licensed Product with a specific Pharmacological Profile incurred after the exercise of the License Option therefor and of Commercialization activities shall be borne solely by JBI.

7.4 Compliance. JBI shall (and shall cause its Affiliates and Sublicensees to) perform its Manufacturing activities and other responsibilities under this ARTICLE **7** in material compliance with all Laws and all Regulatory Approvals for Licensed Product.

ARTICLE 8
FINANCIAL TERMS

8.1 Option Exercise Fee. JBI shall pay to Scholar Rock the exercise payment of one million US dollars ($1,000,000) (the "**Option Exercise Fee**") upon exercise of the License Option with respect to Collaboration Molecules and/or Lead Molecules with a specific Pharmacological Profile pursuant either to Section 2.2.1 or Section 2.2.2. This payment shall be made on a Pharmacological Profile-by-Pharmacological Profile basis within [***] Business Days following (i) delivery of the invoice required under Section 2.2.1 with respect to the voluntary exercise of the License Option by JBI or (ii) delivery of the JBI Option Exercise Acknowledgment Notice under Section 2.2.2, and, in each case, shall be non-creditable and nonrefundable. For clarity, JBI shall pay, and Scholar Rock shall receive, two (2) payments of one million US Dollars ($1,000,000) each if JBI exercises its License Option for both Pharmacological Profiles.

8.2 Milestone Payment.

8.2.1 On a Pharmacological Profile-by-Pharmacological Profile basis, with respect to the first achievement of a milestone event set forth in the following table by JBI, its Affiliate or Sublicensee with respect to a Licensed Product with such Pharmacological Profile (or a Collaboration Molecule with such Pharmacological Profile in the case of the first milestone event in the table below) (each, a "Milestone Event"), JBI shall pay to Scholar Rock the

corresponding amount set forth in the following table one time for such Pharmacological Profile (each, a "Milestone Payment"), which milestone payments shall be non-creditable and non-refundable:

Milestone Event	Payment Amount
[***]	$ [***]
[***]	$ [***]
[***]	$ [***]
[***]	$ [***]
[***]	$ [***]
[***]	$ [***]
[***]	$ [***]
[***]	$ [***]

On a Pharmacological Profile-by-Pharmacological Profile basis, if JBI terminates development of a Licensed Product with such Pharmacological Profile or, in the case of the first milestone event in the table above, the Collaboration Molecule having achieved New Molecular Entity Designation with such Pharmacological Profile (either, the "Discontinued Candidate") and replaces such Licensed Product or such Collaboration Molecule with a replacement Licensed Product or Collaboration Molecule for the same Pharmacological Profile (each, the "Replacement Candidate") and JBI paid any Milestone Payments with respect to any Milestone Events achieved with the Discontinued Candidate ("Paid/Achieved Events"), then when and if the Replacement Candidate achieves the Paid/Achieved Events, no corresponding Milestone Payment shall be due with respect to such achievements but any remaining unpaid Milestone Payment would be due upon the achievement of that Milestone Event by the Replacement Candidate.

8.2.2 On a Pharmacological Profile-by-Pharmacological Profile basis, with respect to the worldwide annual Net Sales of a Licensed Product with such Pharmacological Profile, JBI shall pay to Scholar Rock the following one-time payments when annual aggregate Net Sales ("**Annual Net Sales**") in the Territory of such Licensed Product in a JBI Accounting Year reaches the following thresholds:

Milestone Event	Payment Amount
Annual Net Sales of $[***] ([***] US dollars)	$ [***]
Annual Net Sales of $[***] ([***] US dollars)	$ [***]
Annual Net Sales of $[***] ([***] US dollars)	$ [***]

With respect to this Section 8.2.2, on a Pharmacological Profile-by-Pharmacological Profile basis, each of the applicable milestone payments will be made only once on annual aggregate sales in the Territory of each Licensed Product with such Pharmacological Profile (such sales being calculated including all Indications) subject to Section 8.2.4, regardless of the number of Indications for which such Licensed Product is developed and regardless of whether such Licensed Product is sold in a different dosage form or formulation, and shall be non-creditable and non-refundable.

8.2.3 JBI shall provide written notice to Scholar Rock upon the achievement of the foregoing developmental, regulatory and/or sales milestones under this Section 8.2 within [***] days after such achievement and shall submit the accompanying milestone payment amount in accordance with Section 9.1.2.

8.2.4 For clarity, the developmental, regulatory and sales milestone payments under this Section 8.2 shall be owed and payable to Scholar Rock for the first Licensed Product having the S/I Pharmacological Profile only and for the first Licensed Product having the R/A Pharmacological Profile only, in each case, that achieves the events triggering such milestone payments.

8.3 Royalties on Licensed Product. As further consideration for the rights granted to JBI hereunder, on a Licensed Product-by-Licensed Product basis, JBI shall pay to Scholar Rock the following royalties on Annual Net Sales in the Territory of each Licensed Product during the Royalty Term subject to Section 3.5.2. All royalty payments shall be non-creditable and non-refundable:

Annual Net Sales	Royalty Rate
Annual Net Sales of < $[***]	[***]%
Annual Net Sales of ≥ $[***], but ≤ $[***]	[***]%
Annual Net Sales of > $[***]	[***]%

By way of non-limiting example, if the Annual Net Sales in the Territory of a Licensed Product equal $[***], the royalty amount owed by JBI to Scholar Rock would be $[***] (([***]% x $[***]) + ([***]% x $[***]) + ([***]% x $[***]) = $[***]).

8.3.1 Royalty Reduction and Know-How Royalty. During the Royalty Term for a Licensed Product, with respect to those countries in which such Licensed Product is sold, (a) upon such Licensed Product not being covered by a Valid Claim of a Scholar Rock Patent or Joint Patent to the composition-of-matter (excluding, for clarity, Patents covering the Licensed Product formulation) of such Licensed Product in such country, the royalty rate shall be reduced from those set forth in Section 8.3 by [***] percent ([***]%) (e.g., the applicable royalty in each such country for such Licensed Product shall be [***]% for Annual Net Sales < $1,000,000,000), provided that such royalty reduction shall only be [***] percent ([***]%) (e.g., the applicable royalty in each such country for such Licensed Product shall be [***]% for Annual Net Sales < $1,000,000,000) during the period of the Royalty Term that (i) there is then effective Regulatory Exclusivity for such Licensed Product in such country and (ii) there is no Biosimilar Product of such Licensed Product in such country; and (b) upon a Biosimilar Product of such Licensed Product being introduced in such country, the royalty rate shall be reduced from those set forth in Section 8.3 by [***] percent ([***]%) (e.g., the applicable royalty in each such country for such Licensed Product shall be [***]% for Annual Net Sales < $ 1,000,000,000). Notwithstanding anything herein to the contrary, none of the foregoing royalty reductions shall be additive and the maximum by which the royalty rates set forth in Section 8.3 can be reduced is [***] percent ([***]%), provided that, in the case where Section 3.5.2 applies, then the maximum by which the royalty rates set forth in Section 8.3 can be reduced is [***] percent ([***]%).

8.4 Third Party Obligations. Except for JBI's agreed commitment for research funding of the Program Plan during the Collaboration Term, Scholar Rock shall be solely responsible for all Third Party costs incurred by either Party, including, without limitation, milestones and royalties, from the In-License Agreement and from licenses or other transactions executed with Third Parties for the Development and/or Commercialization of Collaboration Molecules, Lead Molecules and/or Licensed Products, where such license or other transaction is due to the generation, identification, humanization and/or composition of matter, in each case, of Collaboration Molecules and/or Lead Molecules developed as part of the Program Plan and their corresponding Licensed Products. Scholar Rock shall indemnify and hold JBI harmless from any claims against JBI or its Affiliates arising from activities performed pursuant to such In-License Agreement, licenses or other transactions. Notwithstanding the foregoing, Scholar Rock shall not be responsible for Third Party costs, including, without limitation, milestones and royalties, under licenses or other transactions attributable to technology or other intellectual property of a Third Party relating to: manufacturing, formulation, delivery, antibody engineering, or any other modifications by or on behalf of JBI, its Affiliates or its Sublicensees of any Collaboration Molecules, Lead Molecules and/or Licensed Products. Before JBI enters into a license or other agreement or transaction with a Third Party for technology or other intellectual property that would trigger payment responsibilities for Scholar Rock pursuant to this

Section 8.4, JBI shall discuss in good faith with Scholar Rock the need for such a license or agreement or transaction, the amount of any such potential payments, and whether alternatives are reasonably available. For clarity, Scholar Rock shall have no responsibility for any Third Party costs attributable to any activities performed after exercise of the License Option for a Pharmacological Profile by JBI relating to the Collaboration Molecules, Lead Molecules and/or Licensed Products with such Pharmacological Profile.

8.5 JBI Payment of Scholar Rock Third Party Obligations. If Scholar Rock fails to pay or indicates an intention not to make any payments owed to Third Parties under any of the agreements described in Section 8.4 and such payments are not reasonably contested by Scholar Rock or the failure to

make such payments have placed or are likely to place Scholar Rock in breach of any such agreements, upon thirty (30) days prior notice, JBI may make such payment to such Third Party on behalf of Scholar Rock and it may deduct the amount of any such payment from any compensation owed or that becomes owed to Scholar Rock under this Agreement (and is to be reflected in the reports to be provided pursuant to Section 9.2) or, if such deduction is not applicable, Scholar Rock shall reimburse JBI the amount paid on its behalf within [***] days following Scholar Rock's receipt of JBI's written notice that JBI made such payment. The amount of deduction from any compensation owed and to be paid to Scholar Rock shall include simple interest on the amount at the lower of a rate per annum equal to the lower of (a) the three-month LIBOR rate effective on the date JBI made such payment and (b) the maximum rate permitted by Law, in each case, calculated based on the number of days between JBI's payment and the due date for the payment from which the amount paid to such Third Party is deducted.

8.6 Expiration of Royalty Term. Upon expiration of the Royalty Term as to a Licensed Product in a country, JBI shall have a worldwide, perpetual, paid up, no fee, royalty-free, exclusive license under Scholar Rock Patents and Scholar Rock Know-How for such Licensed Product in such country.

ARTICLE 9
PAYMENT TERMS

9.1 Payment Methods.

9.1.1 Payments in US Dollars. All amounts due to Scholar Rock hereunder (including, but not limited to, royalty payments) will be paid in United States dollars.

9.1.2 Payments. All milestones payment amounts owed to Scholar Rock under Section 8.2 shall be paid by JBI within [***] days of the achievement of the Milestone Event triggering such payment (for clarity, the [***] day period within which JBI shall send written notice to Scholar Rock of the achievement of a milestone event pursuant to Section 8.2.3 shall count towards such [***] day period). Where Scholar Rock sends invoices to JBI, such invoices shall be due and payable within [***] days after JBI's receipt thereof (or in the case of payments due under Section 8.1, such lesser period set forth therein). Invoices must be sent to:

Johnson & Johnson Shared Services, P.O. Box 16540, New Brunswick, NJ, 08906-6540, USA. All invoices must reference a valid JBI Purchase Order (PO) Number. The PO Number will be provided to Scholar Rock by JBI.

9.1.3 Any undisputed payments or portions thereof due hereunder that are not paid by the date such payments are due under this Agreement will bear simple interest at the lower of a rate per annum equal to (a) the thirty (30) day Dollar LIBOR rate effective for the date that payment was first due as reported by The Wall Street Journal plus two percent (2%) or (b) the maximum rate permitted by Law, in each case, calculated based on the number of days such payment is delinquent, with such delinquency period commencing on the date that is five (5) days after notice is received by JBI of the non-payment of undisputed payments or portions thereof provided that such payments or portions thereof are not paid within the five (5) day period.

9.2 Payment Schedules; **Reports**. The payment due pursuant to Section 8.1 is due and payable on the date described therein. Royalty payments due pursuant to Section 8.3 are due and payable quarterly [***] days after the end of each JBI Accounting Quarter. JBI will accompany each payment of royalties under this Agreement with a report setting forth, on a Pharmacological Profile-by-Pharmacological Profile, Licensed Product-by-Licensed Product, Indication-by-Indication and country-by-country basis, Net Sales, any currency conversion made in accordance with Section 9.4, and a calculation of the amount of royalty payment due on such Net Sales. Without limiting the foregoing, JBI shall require all of its applicable Affiliates and Sublicensees to account for their respective Net Sales and to provide such reports with respect thereto as if such sales were made by JBI.

9.3 Remittance: All payments shall be made in immediately available funds by electronic transfer, by JBI or an Affiliate on its behalf, to the bank account identified below or such other bank that Scholar Rock may designate in writing to JBI. Janssen Research & Development, LLC, a New Jersey limited liability company having its principal place of business at 920 U.S. Route 202 (P.O. Box 300), Raritan, NJ 08869 ("JRD"), acting as paying agent for JBI, may make certain payments due under this Agreement, and JBI shall reimburse JRD for all such payments. Any payment due and payable under this agreement on a date that is not a Business Day may be made on the next Business Day. If at any time legal restrictions prevent the remittance of part or all of the royalties due hereunder with respect to any country where Licensed Products are sold, JBI shall have the right and option to make such payment by depositing the amount thereof in local currency to Scholar Rock's accounts in a bank or depository in such country or by using such lawful means or methods as Scholar Rock may determine:

Name of Bank: [***]

Bank Address: [***]

Routing/Transit No.: [***]

SWIFT Code: [***]

Account Number: [***]

9.4 Currencies. With respect to sales of Licensed Product invoiced in a currency other than US dollars and other amounts received by JBI (and, if applicable, its Affiliates and Sublicensees) in a currency other than US dollars, such amounts and the amounts payable hereunder shall be expressed in their US dollar equivalent calculated by applying the Currency Hedge Rate determined as follows :

9.4.1 For the upcoming JBI Accounting Year, JBI shall obtain a Currency Hedge Rate(s) to be used for the local currency of each country of the Territory from its parent, Johnson & Johnson, and shall provide details of such Currency Hedge Rate(s) in writing to Scholar Rock not later than five (5) Business Days after the Currency Hedge Rate(s) are available from Johnson & Johnson, which is customarily at the end of October. Such Currency Hedge Rate(s) will remain constant throughout the upcoming JBI Accounting Year.

9.5 Taxes.

9.5.1 JBI will make all payments to Scholar Rock under this Agreement without deduction or withholding for Taxes except to the extent that any such deduction or withholding is required by Law in effect at the time of payment.

9.5.2 Any Tax required to be withheld on amounts payable under this Agreement will promptly be paid by JBI on behalf of Scholar Rock to the appropriate Governmental Authority, and JBI will furnish Scholar Rock with proof of payment of such Tax. JBI shall provide any such cooperation and assistance as Scholar Rock may reasonably request to obtain a reimbursement or credit of the withheld amount. Any such Tax required to be withheld will be an expense of and borne by Scholar Rock. If any such Tax is assessed against and paid by JBI, then Scholar Rock will indemnify and hold harmless JBI from and against such Tax.

9.5.3 JBI and Scholar Rock will cooperate with respect to all documentation required by any taxing authority or reasonably requested by JBI or Scholar Rock to secure if possible an exemption from any obligation to withhold Taxes or a reduction in the rate of applicable withholding Taxes.

9.6 Records Retention; Audit and Certification.

9.6.1 Record Retention. JBI will, and will cause its Affiliates and Sublicensees to, maintain complete and accurate books, records and accounts relevant for the calculation of Net Sales and any other amounts payable to Scholar Rock hereunder, in sufficient detail to confirm the accuracy of any payments required under this Agreement, which books, records and accounts will be retained by JBI, and its Affiliates and Sublicensees as applicable,

for five (5) years after the end of the period to which such books, records and accounts pertain, or longer as is required by Law.

9.6.2 Audit. Scholar Rock will have the right to have an independent certified public accounting firm of internationally recognized standing, reasonably acceptable to JBI, have access during normal business hours, upon reasonable prior written notice from time to time but not more often than once per JBI Accounting Year (but in any event within thirty (30) days of such notice) during the Term and for five (5) years thereafter, or longer as is required by Law, to such records of JBI (and its Affiliates and Sublicensees) as may be reasonably necessary to verify the accuracy of the calculation of royalties or any other amount payable hereunder (including, but not limited to, calculation of Net Sales). Results of such inspections shall be made available to both Scholar Rock and JBI and shall be final and binding on the Parties (absent manifest error). Scholar Rock will bear all costs of such audit, unless the audit reveals a discrepancy in Scholar Rock's favor of more than five percent (5%) in respect of any audited period, in which case JBI will bear the cost of the audit.

9.6.3 Payment of Additional Amounts. If, based on the results of any audit, additional payments are owed to Scholar Rock under this Agreement, then JBI shall have the right to obtain, at its sole expense, a second independent certified public accounting firm of internationally recognized standing reasonably acceptable to Scholar Rock to verify the accuracy of the calculation of royalties or any other amount payable hereunder (including, but not limited to, calculation of Net Sales). If JBI does not obtain a second audit or the second audit concurs with the first audit, JBI will make such additional payments within [***] days after the last accounting firm's written report is delivered to the Parties. The provisions of Section 9.1 with respect to late payments shall apply to such additional payment based on the date such additional payments were originally due. If the audits do not concur, the Parties shall and shall cause their respective accounting firms to discuss diligently and in good faith to identify the discrepancy between the firms' audit results and agree on a final determinative result. In the event they are unable to agree, Section 15.1 shall apply.

If the initial audit reveals an overpayment by JBI, such overpayment shall be credited against future amounts payable by JBI to Scholar Rock under this Agreement and such credit shall include simple interest on the overpayment at the lower of a rate per annum equal to the lower of (a) the three month LIBOR rate effective for the date that such overpayment was made and (b) the maximum rate permitted by Law, calculated based on the number of days since such overpayment.

9.6.4 Confidentiality. All information that is shared in connection with any audit under this Section 9.5 shall be treated by the Parties in accordance with the provisions of ARTICLE 10.

ARTICLE 10
CONFIDENTIALITY

10.1 Confidential Information.

10.1.1 Confidential Information. As used in this Agreement, the term "**Confidential Information**" means all Know-How and other non-public information, whether provided in written, oral, graphic, video, computer, electronic or other form, provided pursuant to this Agreement by or on behalf of one Party (the "**Disclosing Party**") to the other Party (the "**Receiving Party**"), including, but not limited to, information relating to the Disclosing Party's existing or proposed research, development efforts, patent applications, business or products, and any other materials that have not been made available by the Disclosing Party to the general public. Notwithstanding the foregoing sentence, Confidential Information shall not include any information or materials that:

(a) were already known to the Receiving Party (other than under an obligation of confidentiality to the Disclosing Party), at the time of disclosure by the Disclosing Party, to the extent such Receiving Party has documentary evidence to that effect;

(b) were generally available to the public or otherwise part of the public domain at the time of disclosure thereof to the Receiving Party;

(c) became generally available to the public or otherwise part of the public domain after disclosure or development thereof, as the case may be, and other than through any act or omission of the Receiving Party or any of its Affiliates, or its or their directors, managers, employees, independent contractors, agents or consultants in breach of confidentiality obligations under this Agreement;

(d) were disclosed to the Receiving Party, other than under an obligation of confidentiality, by a Third Party who had no obligation to the Disclosing Party not to disclose such information to others; or

(e) were independently discovered or developed by or on behalf of the Receiving Party without the aid, application or use of the Confidential Information belonging to the Disclosing Party, to the extent such Receiving Party has documentary evidence to that effect.

The results of the Program Plan conducted by or for Scholar Rock hereunder shall be deemed to be Confidential Information of both Parties in respect of which both Parties have confidentiality and restricted use obligations hereunder, provided that the foregoing shall not prevent either Party from pursuing Collaboration Patents as contemplated by Sections 11.2 and 11.3; and, further provided that, if JBI does not exercise its License Option for Collaboration Molecules and/or Lead Molecules for one or both Pharmacological Profiles prior to the end of the Option Period in accordance with the terms of this Agreement, or if the Agreement is terminated for any other reason, all such results with respect to the Collaboration Molecule(s),

Lead Molecule(s) and/or Licensed Product(s) with such respective Pharmacological Profiles created under the Program Plan shall thereafter be Confidential Information of Scholar Rock only and Scholar Rock shall have no further confidentiality or restricted use obligations to JBI in respect thereof. Without limiting the generality of the foregoing, any sequencing information for any Collaboration Molecule(s), Lead Molecule(s) and/or Licensed Product(s) with a specific Pharmacological Profile shall be deemed to be Confidential Information of Scholar Rock, and JBI (and, as applicable, its Affiliates and Sublicensees) shall only have a license to use such sequencing information to advance the development and commercialization of a Licensed Product with such Pharmacological Profile provided JBI has exercised its License Option for Collaboration Molecules and/or Lead Molecules with such Pharmacological Profile.

The Parties acknowledge that Confidential Information has been provided by the Parties to each other prior to the Effective Date pursuant to a Confidentiality Agreement between the Parties or their Affiliates dated December 15, 2012. The Parties agree that as of the Effective Date, all such Confidential Information shall be protected by the terms and conditions of this Agreement, which shall replace those of such Confidentiality Agreement.

10.1.2 Confidentiality Obligations. Each of Scholar Rock and JBI shall not disclose, and shall keep all Confidential Information of the other Party confidential with the same degree of care it employs to maintain the confidentiality of its own Confidential Information, but in no event less than a reasonable degree of care (including, but not limited to, establishing and maintaining effective security measures to safeguard the Confidential Information of the other Party from unauthorized use or access). Neither Party shall (1) use such Confidential Information of the other Party for any purpose other than in performance of, in exercise of, or enforcement of its rights under, this Agreement or (2) disclose the same to any other Person other than to such of its and its Affiliates' directors, managers, employees, independent contractors, agents or consultants who have a need to know such Confidential Information to implement the terms of this Agreement, including, without limitation, evaluation of the Collaboration Molecules and/or Lead Molecules, the Program Plan or other discovery and research activities and whether to exercise a License Option; provided, however, that a Receiving Party shall advise any of its and its Affiliates' directors, managers, employees, independent contractors, agents or consultants who receives such Confidential Information of the confidential nature thereof and of the obligations contained in this Agreement relating thereto, and the Receiving Party shall ensure (including, but not limited to, in the case of a Third Party, by means of a written agreement with such Third Party having terms similar to those contained in this ARTICLE 10) that all such directors, managers, employees, independent contractors, agents and consultants comply with such obligations as if they had been a party hereto; JBI shall be directly responsible to Scholar Rock for any damages resulting from any breach by any such Persons (including such Third Parties) of their confidentiality or restricted use obligations in respect of Scholar Rock's Confidential Information. Scholar Rock shall be directly responsible to JBI for any damages resulting from any breach by any such Persons (including such Third Parties) of their confidentiality or restricted use obligations in respect of JBI's Confidential Information. Upon expiration or termination of this Agreement, the Receiving Party shall return

or destroy all documents, tapes or other media containing Confidential Information of the Disclosing Party that remain in the possession of the Receiving Party or its (or its Affiliate's) directors, managers, employees, independent contractors, agents or consultants, except that the Receiving Party may keep one copy of the Confidential Information in the legal department files or electronic backup files of the Receiving Party, solely for archival purposes. Such archival copy shall be deemed to be the property of the Disclosing Party, and shall continue to be subject to the provisions of this ARTICLE 10.

10.1.3 Permitted Disclosure and Use. Notwithstanding Section 10.1.2, a Party may disclose Confidential Information of the other Party to the extent such disclosure is reasonably necessary to: (a) obtain Regulatory Approval of a Licensed Product to the extent such disclosure is made to a Governmental Authority; (b) comply with or enforce any of the provisions of this Agreement, including, but not limited to, to prosecute and maintain Patents and prosecute or defend litigation; (c) comply with Laws; (d) comply with applicable stock exchange or Nasdaq regulation; or (e) accountants, attorneys, underwriters, lenders and other financing sources, licensors, licensees, sublicensees, potential strategic partners or investors, and related advisors whose duties reasonably require them to have access to this Agreement, provided that such accountants, attorneys, underwriters, lenders and other financing sources, licensors, licensees, sublicensees, potential strategic partners, investors, and related advisors are required to maintain the confidentiality of this Agreement under contractual terms substantially similar to those contained in this ARTICLE 10. If a Party deems it necessary to disclose Confidential Information of the other Party pursuant to the foregoing clause (d) in a manner by which such Confidential Information shall no longer retain its confidentiality, such Party shall give reasonable advance notice of such disclosure to the other Party to permit such other Party sufficient opportunity to challenge or limit such disclosure or to take measures to ensure confidential treatment of such information, and in all such cases, such disclosure shall be limited to only that portion of the Confidential Information so required to be disclosed.

10.1.4 Governmental Requirements. Confidential Information that is disclosed by judicial or administrative process shall remain otherwise subject to the confidentiality and non-use provisions of this Section 10.1, and the Receiving Party disclosing Confidential Information of the Disclosing Party pursuant to law or court order shall notify the Disclosing Party promptly upon receipt thereof, giving (where practicable) the Disclosing Party sufficient advance notice to permit the Disclosing Party to oppose, limit, or seek an order of confidentiality, to ensure the continued confidential treatment of such Confidential Information, and shall cooperate with the Disclosing Party; provided that in all such cases, the Disclosing Party shall limit all such disclosure to only that portion of the Confidential Information so required to be disclosed.

10.1.5 Notification. The Receiving Party shall notify the Disclosing Party promptly upon discovery of any unauthorized use or disclosure of the Disclosing Party's Confidential Information, and will cooperate with the Disclosing Party in any reasonably

[***] INDICATES MATERIAL THAT HAS BEEN OMITTED AND FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED. ALL SUCH OMITTED MATERIAL HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO RULE 406 PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED

requested fashion to assist the Disclosing Party to regain possession of such Confidential Information and to prevent its further unauthorized use or disclosure.

10.2 Publicity; Filing of this Agreement.

10.2.1 A press release in connection with the transactions deemed agreed by the Parties is attached as Exhibit F. Any publication, news release or other public announcement of a Party relating to this Agreement or a Party's performance hereunder, shall first be reviewed and approved by the other Party; provided, however, that (a) a Party may, once a press release or other public announcement is approved in writing by both Parties (and for clarity, the information in the press release on Exhibit F is deemed approved), make subsequent public disclosure of the information contained in such press release or other public announcement without the further approval of the other Party, and (b) if a Party decides to make any disclosure which is required by Law as advised by a Party's counsel the non-disclosing Party shall be given at least seven (7) Business Days advance notice of any such legally required disclosure, and shall provide any comments on the proposed disclosure during such period. To the extent that the receiving Party reasonably requests the deletion of any information in the materials, the disclosing Party shall delete such information unless, in the opinion of the disclosing Party's legal counsel, such Confidential Information is legally required to be fully disclosed.

10.3 Scientific Publication. The following restrictions shall apply on a Pharmacological Profile-by-Pharmacological Profile basis with respect to any academic, scientific, medical or other publication or presentation or other disclosure by Scholar Rock or JBI that contains or refers to or otherwise relates to any Collaboration Molecule, Lead Molecule or Licensed Product prior to exercise of the License Option for such Pharmacological Profile. Each Party shall submit any proposed academic, scientific, medical or other publication or presentation containing Confidential Information or containing or referring to or otherwise relating to a Collaboration Molecule, Lead Molecule or Licensed Product at least thirty (30) days in advance of submission of an abstract of a proposed publication, if any, and again at least thirty (30) days in advance of submission of the scientific publication, to allow such other Party to review such planned public disclosure. The reviewing Party will promptly review such publication and make any objections that it may have to the publication of the Confidential Information contained therein. Should the reviewing Party make an objection to the publication of the Confidential Information or require its modification, then the Parties will discuss the merits of publishing and any such modifications; provided, however, that in any case, no publication of Confidential Information of the other Party shall take place under this Section without the other Party's prior written approval thereof or unless the obligations of confidentiality as to such Confidential Information shall be waived or disclosure of Confidential Information of the other Party is authorized under this ARTICLE 10. For clarity, patent publications shall not constitute an academic, scientific medical or other publication. After exercise of the License Option for a Pharmacological Profile, JBI shall be free to publish any academic, scientific, medical or other publication or presentation containing Confidential Information or containing or referring to or otherwise relating to a Collaboration Molecule, Lead

[***] INDICATES MATERIAL THAT HAS BEEN OMITTED AND FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED. ALL SUCH OMITTED MATERIAL HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO RULE 406

Molecule or Licensed Product, provided that (i) JBI give proper authorship and attribution to Scholar Rock and other Third Parties as scientifically appropriate and (i) JBI provides Scholar Rock with the content of such publication or presentation at least ten (10) Business Days prior to the date of such publication and reasonably considers the comments of Scholar Rock made in good faith in its decisions on the content of the publication or presentation. After exercise of the License Option for a Pharmacological Profile, Scholar Rock may publish non-clinical data and results relating to any Collaboration Molecule in any academic, scientific, medical or other publication or presentation with JBI's prior written approval, which approval JBI shall not unreasonably withhold, provided that JBI may withhold its approval if JBI has a strategic reason (including, without limitation, a commercial or patent reason) for not approving any such proposed publication or presentation by Scholar Rock, and, further provided that, in all cases, any such proposed publication or presentation by Scholar Rock shall take into account the Parties' efforts under the Program Plan and efforts to prosecute and obtain Collaboration Patents.

10.4 Publication of Clinical Trial Results. Scholar Rock agrees that, after exercise of the License Option for Collaboration Molecules and/or Lead Molecules with a specific Pharmacological Profile, JBI and/or its Affiliates shall be permitted to disclose Scholar Rock Confidential Information related thereto in publishing clinical trial results in accordance with any applicable FDA and EMA guidelines and in accordance with Johnson & Johnson clinical trial publication policy.

10.5 Use of Names. Neither Party shall use the name of the other Party or its Affiliates or in the case of Scholar Rock of Johnson & Johnson in relation to this transaction in any public announcement, press release or other public document without the prior written consent of such other Party; provided, however, that either Party may use the name of the other Party in any document filed with any Governmental Authority or as otherwise permitted under this Agreement, including in Section 10.2.1 and further provided that Scholar Rock may use the name and any logo of JBI to identify JBI as a partner of Scholar Rock on any of website of Scholar Rock or its Affiliates in a manner agreed to in writing in advance of such use by JBI.

10.6 Confidentiality of this Agreement. The terms and existence of this Agreement shall be Confidential Information of each Party and, as such, shall be subject to the provisions of this ARTICLE 10.

10.7 Survival. The obligations and prohibitions contained in this ARTICLE 10 shall survive the expiration or termination of this Agreement for a period of seven (7) years.

ARTICLE 11
OWNERSHIP OF INTELLECTUAL PROPERTY AND PATENT RIGHTS

11.1 Disclosure. During the Option Period and subject to Scholar Rock's obligations under ARTICLE 10, JBI shall, and shall cause its Affiliates and Sublicensees to, promptly disclose to Scholar Rock all inventions relating to Collaboration Molecules or Lead Molecules conceived and/or reduced to practice by or for JBI or its Affiliates, Sublicensees or

subcontractors in exercising its rights hereunder. Subject to JBI's obligations under ARTICLE 10, Scholar Rock shall, and shall cause its Affiliates and subcontractors to, promptly disclose to JBI all inventions relating to Collaboration Molecules or Lead Molecules conceived and/or reduced to practice by or for Scholar Rock or its Affiliates during the Option Period in the performance of its obligations or exercise of its rights hereunder. The Parties shall consult with each other in good faith regarding the preparation, filing, prosecution, and maintenance of any Patents claiming any such inventions.

11.2 Ownership.

11.2.1 Option Period Patents.

(a) Scholar Rock shall own all right, title and interest in and to all inventions, whether patentable or not, and other Know-How conceived by or for Scholar Rock or its Affiliates during the Option Period in the performance of its obligations or exercise of its rights hereunder, including the Program Plan, and all Patents covering such inventions (the "**Scholar Rock Collaboration Patents**"). JBI shall own all right, title and interest in and to all inventions, whether patentable or not, and other Know-How conceived by or for JBI or its Affiliates during the Option Period (i) in the performance of its obligations or exercise of its rights hereunder, and (ii) using Collaboration Molecules or Lead Molecules or relying on Scholar Rock Confidential Information to the extent permitted by this Agreement, and all Patents covering such inventions (the "**JBI Collaboration Patents**"). Scholar Rock and JBI shall own jointly all right, title and interest in and to all inventions, whether patentable or not, and other Know-How conceived jointly by Scholar Rock or its Affiliates on the one hand and by JBI or its Affiliates on the other hand in the performance of the Program Plan or other research and development activities during the Option Period, and all Patents covering such inventions (the "Joint Collaboration Patents"). Each Party shall have an undivided one-half interest in and to any such jointly owned inventions and other Know-How, Joint Collaboration Patents and Joint Patents. Each Party shall exercise its ownership rights in and to the foregoing, including the right to license and sublicense or otherwise to exploit, transfer or encumber its ownership interest, without an accounting or obligation to, or consent required from, the other Party, but subject to the licenses hereunder and the other terms and conditions of this Agreement. At the reasonable written request of a Party, the other Party shall in writing grant such consents and confirm that no such accounting is required to effect the foregoing.

(b) During the Option Period, JBI shall grant to Scholar Rock a worldwide, perpetual, royalty-free, fully paid-up, non-exclusive license, with the right to grant sublicenses as permitted under Section 3.1, under JBI Applied Patents as is necessary to Develop, use, make, have made, and import Collaboration Molecules or Lead Molecules. If JBI does not exercise the License Option, upon expiration of the Option Period, JBI shall assign to Scholar Rock JBI's entire right, title and interest in and to (A) the JBI Collaboration Patents and the Joint Collaboration Patents, in each case, that specifically claim any one or more of items (i) and (ii) of the definition of Collaboration Molecule and methods of making and using the same, where "specifically claim" means that such item or items are so claimed or that any antibody, active

binding fragment or other derivative binding to either of the [***] is so claimed (the "**Antibody Specific Collaboration Patents**"), and (B) the specific Know-How for the inventions claimed in such Antibody Specific Collaboration Patents (the "**Antibody Specific Collaboration Know-How**"). JBI shall promptly take all reasonable steps to cause its Affiliates, officers, directors, employees, agents, Sublicensees and subcontractors to execute all documents, make all assignments and take all actions reasonably requested by Scholar Rock to fully effect Scholar Rock's ownership thereof.

11.2.2 Patents after the Option Period. Ownership of any Patents covering inventions conceived after the end of the Option Period by or on behalf of a Party in the performance of its obligations or exercise of its rights hereunder shall follow inventorship determined in accordance with U.S. patent law, such determination being applicable to the ownership of such Patents throughout the Territory. All such Patents shall be subject to the license grants contained herein.

11.2.3 Inventorship. Inventorship determination for all Collaboration Patents worldwide and thus the ownership thereof shall be made in accordance with applicable United States patent laws. Each Party shall require any Person performing work for such Party under the Program Plan, whether as an employee or a contractor or consultant of such Party, to assign to such Party all right, title and interest in and to all inventions, whether patentable or not, and other Know-How conceived by or for such Party or its Affiliates by such Person in the performance of such work.

11.2.4 Joint Research Agreement. This Agreement shall be understood to be a joint research agreement in accordance with 35 U.S.C. § 103(c) to develop and commercialize Collaboration Molecules, Lead Molecules and/or Licensed Products, provided that neither Party shall (a) unilaterally invoke the protections or (b) be required by this reference to have any Patent take advantage of or become subject to such § 103(c)(3) except in accordance with the provisions of Section 11.3 regarding prosecution and maintenance of such Patent.

11.3 Preparation, Filing, Prosecution and Maintenance of Patents.

11.3.1 During the Option Period. During the Option Period, Scholar Rock shall be solely responsible for and have sole control over the preparation, filing, prosecution and maintenance of the Scholar Rock Core Patents using counsel of its choice. During the Option Period, the Parties shall have joint responsibility and control over the preparation, filing, prosecution and maintenance of the Collaboration Patents using counsel mutually agreeable to the Parties, provided that Scholar Rock shall be the Party communicating with the United States Patent & Trademark Office and foreign patent offices. The Scholar Rock Core Patents which are Controlled by Scholar Rock pursuant to an In-License Agreement shall be prosecuted and maintained in accordance with the terms and conditions of the applicable In-License Agreement. All Third Party costs and expenses incurred in connection with the preparation, filing, prosecution and maintenance (a) of the Collaboration Patents shall be shared equally by Scholar Rock and JBI, and (b) of the Scholar Rock Core Patents shall be borne solely by Scholar Rock.

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Scholar Rock shall submit, or shall cause to be submitted, to JBI an invoice no more than once per calendar quarter for such Third Party costs and expenses relating to the Collaboration Patents to be reimbursed by JBI, and JBI shall pay such invoice within [***] days after receiving it. Both Parties shall be informed of all matters relating to the preparation, filing, prosecution and maintenance of the Collaboration Patents and each Party shall reasonably consider and accept those reasonable comments of the other Party relating to patent prosecution and maintenance decisions. In the event of a bona fide dispute regarding preparation, filing, prosecution and/or maintenance of the Collaboration Patents, such dispute shall be submitted to the procedure in Section 15.1.2 and, if the dispute is not resolved by such procedure, Scholar Rock may control the decision in dispute, provided that such decision shall not cause material harm to JBI in the exercise of its rights under this Agreement.

11.3.2 After Exercise of the License Option.

(a) After JBI's exercise of the License Option for Collaboration Molecules and/or Lead Molecules with either of the Pharmacological Profiles, JBI shall have the first right, but not the obligation, to prepare, file, prosecute and maintain the Collaboration Patents covering such Collaboration Molecules and/or Lead Molecules with such Pharmacological Profile using counsel of its choice, and shall bear one hundred percent (100%) of all Third Party costs and expenses incurred in connection with such activities. JBI shall keep Scholar Rock reasonably informed of all material matters relating to the preparation, filing, prosecution and maintenance of those Collaboration Patents (including providing Scholar Rock with copies of all material correspondence with the applicable patent office from countries or corresponding authorities within the Territory) and shall reasonably consider and accept those reasonable Scholar Rock comments relating to patent prosecution and maintenance decisions. Scholar Rock shall bear any costs and expenses it may incur in connection with its review and consultation concerning any such Collaboration Patents. In the event JBI determines not to file, prosecute or maintain a Collaboration Patent in a given country, JBI shall notify Scholar Rock and on the sixtieth (60^{th}) day after Scholar Rock's receipt of such notice, JBI's license to such Collaboration Patent shall be converted from exclusive to non-exclusive, and Scholar Rock shall have the right, at its sole expense, to file, prosecute or maintain such Collaboration Patent in such country, in the name of Scholar Rock or JBI or their respective designee, as applicable, and JBI shall no longer have any right to defend or enforce such Collaboration Patent under Section 11.5 or Section 11.6.1.

(b) After JBI's exercise of the License Option for Collaboration Molecules and/or Lead Molecules for at least one of the Pharmacological Profiles, Scholar Rock shall continue to be solely responsible for and have sole control over the preparation, filing, prosecuting and maintaining of the Scholar Rock Core Patents using counsel of its choice, and shall bear one hundred percent (100%) of all Third Party costs and expenses incurred in connection with such activities.

11.3.3 JBI Applied Patents. JBI shall have the first right, but not the obligation, to prepare, file, prosecute and maintain, or cause to be prepared, filed, prosecuted and maintained, the JBI Applied Patents (other than any JBI Collaboration Patents or Joint

Collaboration Patents included therein) using counsel of its choice, and shall bear one hundred percent (100%) of all Third Party costs and expenses incurred in connection with such activities. To the extent in the possession and Control of JBI, JBI shall provide Scholar Rock with copies of any patent applications included within such JBI Applied Patents which are not publicly available within thirty (30) days after filing and from the Effective Date. JBI shall also provide Scholar Rock copies of all material documents and correspondence relating to the preparation, filing and prosecution of such JBI Applied Patents in a timely manner. Scholar Rock shall bear any costs and expenses it may incur in connection with its review concerning any such JBI Applied Patents. In the event JBI determines not to file, prosecute or maintain any such JBI Applied Patent in a given country, JBI shall notify Scholar Rock thereof (and JBI shall not be deemed to be in breach of any of its obligations under this Section 11.3.3) and Scholar Rock shall have the right, at its sole expense, to file, prosecute or maintain such JBI Applied Patent in such country, in the name of JBI (or its designee).

11.3.4 Collaboration Patents Prosecution Goals. In their efforts relating to the preparation, filing, prosecution and maintenance of the Collaboration Patents, the Parties intend to claim subject matter comprising items (i) and (ii) of the definition of Collaboration Molecule and the methods of making and using the same, and other monoclonal antibodies, ScFvs, active binding fragments, and derivatives reasonably expected to satisfy the criteria set forth in Exhibit G and one of the Pharmacological Profiles; provided, however, that the foregoing shall in no way limit the ability of the Parties to fairly and reasonably claim the compositions, methods and uses that are the subject matter of the Program Plan but rather is intended to guide the activities of the Parties with respect to the preparation, filing, prosecution and maintenance of the Collaboration Patents.

11.4 Cooperation. Each Party shall make available to the other Party (and to the other Party's authorized attorneys, agents or representatives) its employees, agents, and, to the extent reasonably possible, subcontractors and consultants, and such other relevant information and documentation as is in such Party's Control to the extent reasonably available, necessary and appropriate to enable the prosecuting Party to prepare, file, prosecute and maintain Patents as set forth in Section 11.3 and for periods of time reasonably sufficient for such Party to obtain the assistance it needs from such personnel. Where appropriate, each Party shall sign or cause to have signed all documents relating to said patent applications or patents at no charge to the other Party.

11.5 Infringement Claims.

Scholar Rock and JBI shall each promptly, but in any event no later than ten (10) days after receipt of notice of such action, notify the other in writing if any Third Party at any time provides written notice of a claim to, or brings an action, suit or proceeding against, either Party, or any of their respective Affiliates or sublicensees or subcontractors, claiming infringement of its patent rights or unauthorized use or misappropriation of its Know-How, based upon an assertion or claim arising out of the Development, Manufacture or Commercialization of a Collaboration Molecule, Lead Molecule or Licensed Product (an "**Infringement Claim**"). With

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respect to any Infringement Claim, the Parties shall attempt to negotiate in good faith a resolution with respect thereto. If the Parties cannot settle such Infringement Claim with the appropriate Third Party within thirty (30) days after the receipt of the notice of such action, then the following applies:

11.5.1 In the event that such Infringement Claim is brought (i) solely against JBI in respect of such Collaboration Molecule, Lead Molecule or Licensed Product or (ii) jointly against JBI and Scholar Rock in respect of such Collaboration Molecule, Lead Molecule or Licensed Product, then JBI shall have the first right, but not the obligation, to defend against any such Infringement Claim at its expense. If JBI agrees to defend against the Infringement Claim, Scholar Rock will cooperate and assist JBI in any such litigation at JBI's expense, subject to Scholar Rock's obligation under Section 8.4, and JBI shall be deemed to be the "**Controlling Party**." In the event that such Infringement Claim is brought solely against Scholar Rock in respect of such Collaboration Molecule, Lead Molecule or Licensed Product, then in each such case Scholar Rock shall have the first right, but not the obligation, to defend against any such Infringement Claim at its expense. If Scholar Rock agrees to defend against the Infringement Claim, JBI will cooperate and assist Scholar Rock in any such litigation at Scholar Rock's expense and Scholar Rock shall be deemed to be the "**Controlling Party**."

11.5.2 The Controlling Party will have the exclusive right to hire, fire and direct an attorney to represent it (and in the event that the claim is brought against both Parties, to represent it and the other Party) with respect to such Infringement Claims. The Controlling Party will have the exclusive right to settle any Infringement Claim without the consent of the other Party, unless (i) such settlement could have a material adverse impact upon the other Party or its rights or ability to perform its obligations under this Agreement, in which case the consent of such other Party shall be required and/or (ii) such settlement could otherwise have a material adverse impact on the Licensed Technology or Collaboration Molecules, Lead Molecules and/or Licensed Products, in which case the consent of the other Party shall be required. For purposes of clarity, any settlement that would involve the waiver of rights or payment from such other Party shall be deemed to have an adverse impact and shall require the consent) of such other Party.

11.5.3 If a Party wishes to assume sole control of the defense of any such Infringement Claim with respect to which it has the option to be the Controlling Party, then such Party may do so upon written notice to the other Party. If a Party does not exercise its right to control the defense of such Infringement Claim within ten (10) Business Days, then the Parties shall jointly control the defense of any such Infringement Claim or, in the case of Scholar Rock not exercising its right to control the defense of an Infringement Claim, JBI shall control such Infringement Claim with full cooperation by Scholar Rock, and JBI shall pay all expenses related thereto, subject to Scholar Rock's obligation under Section 8.4, and in such event, (i) each Party shall have the right but not the obligation, to retain its own counsel to participate in any such Infringement Claim, and (ii) neither Party may settle such Infringement Claim without the consent of the other Party. If a Party shall become engaged in or participate in any suit described

in this Section 11.5, the other Party shall cooperate, and shall cause its and its Affiliates' employees, agents, and, to the extent reasonably possible, subcontractors and consultants to cooperate, with such Party, at such Party's expense, in all reasonable respects in connection therewith.

11.5.4 If, as a result of any Infringement Claim, any royalties or other Losses are payable to such Third Party as a result of the Development, Manufacture or Commercialization of a Collaboration Molecule, Lead Molecule or Licensed Product in the Field, then JBI shall be responsible for the payment of all such amounts, subject to Scholar Rock's obligation under Section 8.4.

11.6 Infringement by Third Parties.

11.6.1 Licensed Technology. In the event either Party becomes aware of any actual or suspected infringement of the Collaboration Patents or the Scholar Rock Core Patents or any misappropriation of the Scholar Rock Know-How by a Third Party that is conducting the manufacture, use, sale, offer for sale or import of a product that falls within the scope of the Exclusive License grant in Section 2.1.1 ("**Competitive Infringement**"), such Party shall provide written notice thereof to the other Party, and the terms and conditions set out below in this Section 11.6 shall apply.

(a) **During the Option Period**. During the Option Period:

(i) Scholar Rock shall have the sole and exclusive right to bring an action or proceeding to abate any infringement of the Scholar Rock Core Patents.

(ii) As between the Parties, Scholar Rock shall have the first right, but not the obligation, to bring an action or proceeding to abate any infringement of the Collaboration Patents. Scholar Rock agrees to notify JBI of its intention to bring an action or proceeding and to consult with JBI to determine the best course of action and take JBI's position into due consideration and to keep JBI informed of material developments in the prosecution or settlement of such action or proceeding. Scholar Rock shall be responsible for all costs and expenses of any action or proceeding to abate any such infringement that Scholar Rock initiates and maintains. JBI shall cooperate fully as may be reasonably requested by Scholar Rock, upon reasonable notice, by joining as a party plaintiff if required to do so by Law to maintain such action or proceeding to collect for Scholar Rock's sole and exclusive benefit any and all damages, profits and awards of any nature recoverable for such infringement (except to the extent such are specifically allocated to JBI based on damages suffered by JBI and not by Scholar Rock), by executing and making available such documents as Scholar Rock may reasonably request, and by performing all other acts which are or may become reasonably necessary to vest in Scholar Rock the right to institute any such action or proceeding, including, without limitation, by using commercially reasonable efforts to obtain any necessary joinder and/or cooperation in any such action or proceeding from any applicable Third Parties. Scholar Rock shall not enter into any settlement or transaction agreement with a Third Party that reduces

the scope of or admits invalidity or unenforceability of any Collaboration Patent claims that will cause material harm to JBI, without the prior written consent of JBI, which shall not be unreasonably withheld or delayed. Scholar Rock shall incur no liability to JBI as a consequence of such litigation or any unfavorable decision resulting therefrom, including any decision holding any Collaboration Patent invalid or unenforceable. JBI may be represented by counsel of its choice in any such action or proceeding, at JBI's expense, acting in an advisory but not controlling capacity.

(iii) If Scholar Rock fails to elect or elects not to exercise such first right within ninety (90) days of evidence of an actual Competitive Infringement of the Collaboration Patents, JBI shall have the right, at its discretion, to institute and prosecute an action or proceeding to abate such Competitive Infringement of the Collaboration Patents and to resolve such matter by settlement or otherwise. JBI shall keep Scholar Rock informed of all developments in the prosecution or settlement of such action or proceeding. JBI shall be responsible for all costs and expenses of any action or proceeding to abate any Competitive Infringement of the Collaboration Patents that JBI initiates. Scholar Rock shall cooperate fully as may be reasonably requested by JBI, upon reasonable notice, by joining as a party plaintiff if required to do so by Law to maintain such action or proceeding to collect for JBI's sole and exclusive benefit any and all damages, profits and awards of any nature recoverable for such Competitive Infringement, by executing and making available such documents as JBI may reasonably request, and by performing all other acts which are or may become reasonably necessary to vest in JBI the right to institute any such action or proceeding including, without limitation, by using commercially reasonable efforts to obtain any necessary joinder and/or cooperation in any such action or proceeding from any applicable Third Parties. JBI shall incur no liability to Scholar Rock as a consequence of such litigation or any unfavorable decision resulting therefrom, including any decision holding any Collaboration Patent invalid or unenforceable. Scholar Rock may be represented by counsel in any such action or proceeding at its own expense, acting in an advisory but not controlling capacity. JBI shall not enter into any settlement or transaction agreement with a Third Party that could have a material adverse impact upon Scholar Rock or its rights, or ability to perform its obligations, under this Agreement, without the prior written consent of Scholar Rock, which shall not be unreasonably withheld or delayed.

(iv) If the Parties obtain any damages, license fees, royalties or other compensation (including, but not limited to, any amount received in settlement of such litigation) from a Third Party in connection with a suit brought by a Party pursuant to Section 11.6.1(a), such amounts shall be allocated as follows: (A) in all cases to reimburse each Party for all expenses of such litigation, including, but not limited to, reasonable attorneys' fees and disbursements, court costs and other litigation expenses; (B) in the case of a suit brought by JBI under Section 11.6.1(a), but except to the extent such are specifically allocated to Scholar Rock based on damages suffered by Scholar Rock and not by JBI, in which case they shall be retained by Scholar Rock, the balance shall be retained by JBI, and (C) in the case of a suit brought by Scholar Rock under Section 11.6.1(a), the balance shall be retained by Scholar Rock.

(b) **After Exercise of the License Option**. After JBI's exercise of the License Option for Collaboration Molecules and/or Lead Molecules for at least one of the Pharmacological Profiles:

(i) Scholar Rock shall continue to have the sole and exclusive right to bring an action or proceeding to abate any infringement of the Scholar Rock Core Patents. In the event that there is not adequate protection for a Licensed Product in a country under a Collaboration Patent, but there may be under a Scholar Rock Core Patent covering the composition of matter or method of use of a Collaboration Molecule or Licensed Product, the Parties agree to discuss in good faith expanding JBI's enforcements rights under Section 11.6.1(b)(ii), and, if the Parties are in a bona fide dispute over JBI's right to enforce the Scholar Rock Core Patent, such dispute shall be submitted to the procedure in Section 15.1.2 for resolution.

(ii) As between the Parties, JBI shall have the first right, but not the obligation, to institute and prosecute any action or proceeding to abate any Competitive Infringement of the Collaboration Patents. JBI agrees to notify Scholar Rock of its intention to bring any such action or proceeding and to consult with Scholar Rock to determine the best course of action and take Scholar Rock's position into due consideration and to keep Scholar Rock informed of material developments in the prosecution or settlement of such action or proceeding. JBI shall be responsible for all costs and expenses of any action or proceeding to abate any Competitive Infringement of the Collaboration Patents that JBI initiates and maintains. Scholar Rock shall cooperate fully as may be reasonably requested by JBI, upon reasonable notice, by joining as a party plaintiff if required to do so by Law to maintain such action or proceeding to collect for JBI's sole and exclusive benefit any and all damages, profits and awards of any nature recoverable for such infringement (except to the extent such are specifically allocated to Scholar Rock based on damages suffered by Scholar Rock and not by JBI), by executing and making available such documents as JBI may reasonably request, and by performing all other acts which are or may become reasonably necessary to vest in JBI the right to institute any such action or proceeding, including, without limitation, by using commercially reasonable efforts to obtain any necessary joinder and/or cooperation in any such action or proceeding from any applicable Third Parties. JBI shall not enter into any settlement or transaction agreement with a Third Party that reduces the scope of or admits invalidity or unenforceability of any Collaboration Patent claims that will cause material harm to Scholar Rock, without the prior written consent of Scholar Rock, which shall not be unreasonably withheld or delayed. JBI shall incur no liability to Scholar Rock as a consequence of such litigation or any unfavorable decision resulting therefrom, including any decision holding any Collaboration Patent invalid or unenforceable. Scholar Rock may be represented by counsel of its choice in any such action or proceeding, at Scholar Rock's expense, acting in an advisory but not controlling capacity.

(c) If JBI fails to elect or elects not to exercise such first right within ninety (90) days of evidence of an actual Competitive Infringement of the Collaboration Patents,

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Scholar Rock shall have the right, at its discretion, to institute and prosecute an action or proceeding to abate such Competitive Infringement of the Collaboration Patents and to resolve such matter by settlement or otherwise. Scholar Rock shall keep JBI informed of all developments in the prosecution or settlement of such action or proceeding. Scholar Rock shall be responsible for all costs and expenses of any action or proceeding to abate any Competitive Infringement of the Collaboration Patents that Scholar Rock initiates. JBI shall cooperate fully as may be reasonably requested by Scholar Rock, upon reasonable notice, by joining as a party plaintiff if required to do so by Law to maintain such action or proceeding to collect for Scholar Rock's sole and exclusive benefit any and all damages, profits and awards of any nature recoverable for such infringement, by executing and making available such documents as Scholar Rock may reasonably request, and by performing all other acts which are or may become reasonably necessary to vest in Scholar Rock the right to institute any such suit including, without limitation, by using commercially reasonable efforts to obtain any necessary joinder and/or cooperation in any such action or proceeding from any applicable Third Parties. Scholar Rock shall incur no liability to JBI as a consequence of such litigation or any unfavorable decision resulting therefrom, including any decision holding any Collaboration Patent invalid or unenforceable. JBI may be represented by counsel in any such action or proceeding at its own expense, acting in an advisory but not controlling capacity. Scholar Rock shall not enter into any settlement or transaction agreement with a Third Party that could have a material adverse impact upon JBI or its rights, or ability to perform its obligations, under this Agreement, without the prior written consent of JBI, which shall not be unreasonably withheld or delayed.

(d) If the Parties obtain any damages, license fees, royalties or other compensation (including, but not limited to, any amount received in settlement of such litigation) from a Third Party in connection with a suit brought by a Party pursuant to Section 11.6.1(b) or 11.6.1(c), such amounts shall be allocated as follows: (i) in all cases to reimburse each Party for all expenses of such litigation, including, but not limited to, reasonable attorneys' fees and disbursements, court costs and other litigation expenses; (ii) in the case of a suit brought by JBI under Section 11.6.1(b), but except to the extent such are specifically allocated to Scholar Rock based on damages suffered by Scholar Rock and not by JBI, in which case they shall be retained by Scholar Rock, the balance shall be retained by JBI, with JBI paying royalties on such recovery as if such recovery were Net Sales of Licensed Product hereunder (and, for clarity, any such amounts shall be considered in the calculation of annual Net Sales for purposes of Sections 8.2.2 and 8.3); and (iii) in the case of a suit brought by Scholar Rock under Section 11.6.1(c), the balance shall be retained by Scholar Rock.

11.7 Patent Markings. JBI shall, or shall ensure that, all Licensed Products Developed, Manufactured, used or Commercialized under this Agreement, or their containers or packaging, are marked as required by applicable patent marking Laws in each jurisdiction in which Licensed Product is Developed, Manufactured, used or Commercialized under this Agreement.

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11.8 Patent Term Extensions. Scholar Rock and JBI shall discuss which, if any, of the Patents within the Collaboration Patents the Parties should seek Patent term extensions for; provided that, JBI shall have the final decision-making authority with respect to applying for any such Patent term extensions. Scholar Rock shall and cause its Affiliates, and any other relevant Third Parties to cooperate fully with JBI in making such filings or actions, including, but not limited to, making available all required regulatory data and information and executing any required authorizations to apply for such Patent term extension. Scholar Rock shall have sole decision-making authority with respect to determining for which, if any, Patents within the Scholar Rock Core Patents Patent term extensions should be sought and to applying for any such Patent term extensions. All expenses incurred in connection with the activities of a Party under this Section 11.8 shall be borne by such Party.

ARTICLE 12
REPRESENTATIONS AND WARRANTIES

12.1 Representations and Warranties.

12.1.1 Mutual Representations. Each of the Parties hereby represents and warrants to the other Party that, as of the Effective Date:

(a) Such Party is duly organized, validly existing and in good standing under the laws of the state (or other jurisdiction) of its incorporation or organization, as applicable. Such Party has full corporate (or other organizational) right, power and authority to enter into this Agreement and to perform its respective obligations under this Agreement and that it has the right to grant the rights, licenses and sublicenses granted pursuant to this Agreement;

(b) This Agreement is a legal and valid obligation binding upon such Party and enforceable in accordance with its terms. The execution, delivery and performance of this Agreement by such Party does not conflict with any agreement, instrument or understanding, oral or written, to which it (or any of its Affiliates) is a Party or by which it (or any of its Affiliates) is bound, nor, to its knowledge, violate any Law of any Governmental Authority having jurisdiction over it (or any of its Affiliates);

(c) The Person executing this Agreement on behalf of such Party is duly authorized to do so by all requisite corporate action (or other organizational action, as applicable);

(d) Each Party has obtained all necessary consents, approvals and authorizations of all Government Authorities and other Persons required to be obtained by it as of the Effective Date in connection with the execution, delivery and performance of this Agreement; and

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(e) There is no action or proceeding pending or, to such Party's knowledge, threatened, that questions the validity of this Agreement or any action taken by such Party in connection with the execution of this Agreement.

12.1.2 Additional Representations of Scholar Rock. Scholar Rock hereby represents and warrants to JBI that, as of the Effective Date:

(a) Scholar Rock owns all right, title and interest in and to, or has a license, sublicense or other permission to use and license in the Field, the Licensed Technology as set forth herein;

(b) All of the Scholar Rock Patents existing as of the Effective Date are identified on Exhibit A and all patent applications within the Scholar Rock Patents as of the Effective Date are still pending and all issued patents within the Scholar Rock Patents as of the Effective Date are in good standing and have not been abandoned;

(c) To Scholar Rock's knowledge, (i) the practice of the Scholar Rock Patents as of the Effective Date by the Parties as contemplated herein does not infringe the patent rights of any Third Party to which Scholar Rock is not licensed under the In-License Agreement, and (ii) the use by the Parties of the Scholar Rock Know-How as of the Effective Date as contemplated herein does not constitute misappropriation of any Third Party trade secrets or other intellectual property rights;

(d) Scholar Rock has not received any claim made against it in writing asserting the invalidity of any of the Scholar Rock Patents, and no claim or demand by any Person has been asserted in writing to Scholar Rock that challenges the rights of Scholar Rock to use or license any of the Licensed Technology; and

(e) Scholar Rock has provided JBI with a copy of the In-License Agreement existing as of the Effective Date and each such agreement is in full force and effect. Scholar Rock is in material compliance with the terms of the In-License Agreement, and has not received any written notice from any counter-party under the In-License Agreement that Scholar Rock is not in compliance with the terms of the In-License Agreement.

12.1.3 Disclaimer of Warranty. EXCEPT AS OTHERWISE EXPRESSLY STATED IN THIS AGREEMENT, NEITHER PARTY MAKES ANY REPRESENTATION OR WARRANTY OF ANY KIND WITH RESPECT TO COLLABORATION MOLECULES, LEAD MOLECULES, LICENSED PRODUCTS, LICENSED TECHNOLOGY, JBI APPLIED PATENTS OR JBI APPLIED KNOW-HOW. EXCEPT AS OTHERWISE PROVIDED IN THIS ARTICLE 12, EACH PARTY EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT.

12.2 Covenants of Scholar Rock. Scholar Rock hereby covenants that:

12.2.1 It will not assign, transfer, convey or otherwise encumber its right, title and interest in the Licensed Technology in any manner that would prevent it from granting the licenses set forth in Article 2 or bestowing other rights expressly contemplated in this Agreement.

12.2.2 It will comply with its material obligations under the In-License Agreement.

12.2.3 It shall not use in any capacity, in connection with its activities related to a Collaboration Molecule, Lead Molecule or Licensed Product hereunder, any Person who has been debarred pursuant to Section 306 of the Federal Food, Drug and Cosmetic Act (as amended, the "**FD&C Act**") (or similar Law outside of the U.S.), or who is the subject of a conviction described in such section, and Scholar Rock shall inform JBI in writing immediately if it or any Person who is performing services for Scholar Rock (or its Affiliates or subcontractors) hereunder is debarred or is the subject of a conviction described in Section 306 of the FD&C Act (or similar Law outside of the U.S.), or if any action, suit, claim, investigation or legal administrative proceeding is pending or, to Scholar Rock's knowledge, is threatened, relating to the debarment of Scholar Rock or any Person used in any capacity by Scholar Rock (or its Affiliates or subcontractors) in connection with its activities related to a Collaboration Molecule, Lead Molecule or Licensed Product hereunder.

12.2.4 It and any Affiliates, subcontractors or other agents employed shall not use in any capacity, in connection with its activities under the Program Plan or otherwise related to a Collaboration Molecule, Lead Molecule or Licensed Product hereunder, any funding or other resources of the any governmental entity, including, without limitation, US government grants or other funding.

12.2.5 It shall promptly provide to JBI a copy of any written notice Scholar Rock receives from CMCC under the In-License Agreement (a) terminating or providing notice of termination of the In-License Agreement, or (b) alleging any material breach of or default by Scholar Rock under the In-License Agreement.

12.2.6 It shall promptly inform JBI if, after the Effective Date:

(a) it receives any written notice from a Third Party asserting the invalidity of any of the Scholar Rock Patents or challenging the rights of Scholar Rock to use or license any of the Licensed Technology;

(b) during the Collaboration Term, it has knowledge that the warranty made in Section 12.1.2(a) is no longer true and correct; and

(c) during the Collaboration Term, it has executed an agreement with a Third Party for use in generation and/or humanization of Collaboration Molecules and/or Lead Molecules.

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12.3 Covenant of JBI. JBI hereby covenants that, after exercise of the License Option:

12.3.1 It will not assign, transfer, convey or otherwise encumber (including by way of grant of any license or sublicense to or covenant not to sue under) the JBI Applied Patents, JBI Applied Know-How, JBI Collaboration Patents, Antibody Specific Collaboration Patents and/or Antibody Specific Collaboration Know-How in any manner that would prevent it from undertaking the assignment set forth in Section 11.2.1(b), granting the licenses set forth in Sections 11.2.1(b) and 14.3.3, or bestowing on Scholar Rock the other rights expressly contemplated in this Agreement.

12.3.2 It shall not use in any capacity, in connection with its Development or Commercialization of Collaboration Molecules, Lead Molecules or Licensed Products hereunder, any Person who has been debarred pursuant to Section 306 of FD&C Act (or similar Law outside of the U.S.), or who is the subject of a conviction described in such section, and JBI shall inform Scholar Rock in writing immediately if it or any Person who is performing services for JBI (or its Affiliates, Sublicensees or subcontractors) hereunder is debarred or is the subject of a conviction described in Section 306 of the FD&C Act (or similar Law outside of the U.S.) or if any action, suit, claim, investigation or legal administrative proceeding is pending or, to JBI's knowledge, is threatened, relating to the debarment of JBI or any Person used in any capacity by JBI (or its Affiliates, Sublicensees or subcontractors) in connection with its activities related to Collaboration Molecules, Lead Molecules or Licensed Products hereunder.

12.3.3 During the Collaboration Term, it shall promptly provide JBI with a copy of any agreements executed with a Third Party for use in the generation, identification and/or composition of matter of Collaboration Molecules and/or Lead Molecules developed as part of the Program Plan, provided that Scholar Rock may redact in such copy any financial and other terms that are not applicable to the subject matter of this Agreement which shall not be in derogation of Scholar Rock's obligations under Section 3.1.

ARTICLE 13
INDEMNIFICATION

13.1 Indemnification by JBI. JBI shall defend, indemnify and hold harmless Scholar Rock and its Affiliates and each of their officers, directors, shareholders, employees, agents, successors and permitted assigns ("**Scholar Rock Indemnitees**") from and against any and all Losses incurred by such Scholar Rock Indemnitee in connection with any Claims brought by a Third Party (a "**Third Party Claim**") against a Scholar Rock Indemnitee that arise out of or result from: (a) JBI's negligence or willful misconduct in performing any of its obligations under this Agreement (including any negligence or willful misconduct of its Affiliates or Sublicensees for which JBI is responsible hereunder), (b) a breach by JBI of any of its representations, warranties, covenants or obligations under this Agreement (including any breach by its Affiliates or Sublicensees or agents for which JBI is responsible hereunder), or (c) the Development, Manufacture, use, or Commercialization of the Licensed Product by, or on behalf of, JBI or any

of its Affiliates or Sublicensees; provided, however, that in all cases referred to in this Section 13.1, JBI shall not be liable to indemnify the Scholar Rock Indemnitees for any Losses incurred by the Scholar Rock Indemnitees to the extent that such Losses arise from (i) the negligent, reckless or intentional act or omission of a Scholar Rock Indemnitee or (ii) any action or non-action of a Scholar Rock Indemnitee for which Scholar Rock is obligated to indemnify JBI pursuant to Section 13.2.

13.2 Indemnification by Scholar Rock. Scholar Rock shall defend, indemnify and hold harmless JBI and its Affiliates and each of their officers, directors, shareholders, employees, agents, successors and permitted assigns ("**JBI Indemnitees**") from and against any and all Losses incurred by such JBI Indemnitees in connection with any Third Party Claims against a JBI Indemnitee that arise out of or result from: (a) Scholar Rock's negligence or willful misconduct in performing any of its obligations under this Agreement (including any negligence or willful misconduct of its Affiliates for which Scholar Rock is responsible hereunder), (b) a breach by Scholar Rock of any of its representations, warranties, covenants or obligations under this Agreement (including any breach by its Affiliates or agents for which Scholar Rock is responsible hereunder), (c) the discovery and/or research activities carried out by, or on behalf of, Scholar Rock or any of its Affiliates or agents in the performance of the Program Plan, or (d) Third Party payments and other obligations arising out of Scholar Rock's agreements with Third Parties, activities performed thereunder, and any other obligation of Scholar Rock pursuant to Section 8.4, including without limitation the In-License Agreements; provided, however, that in all cases referred to in this Section 13.2, Scholar Rock shall not be liable to indemnify the JBI Indemnitees for any Losses incurred by the JBI Indemnitees to the extent that such Losses arise from (i) the negligent, reckless or intentional act or omission of a JBI Indemnitee or (ii) any action or non-action of JBI for which JBI is obligated to indemnify Scholar Rock pursuant to Section 13.1.

13.3 Procedure for Indemnification.

13.3.1 Notice. Each Party (the "**Indemnified Party**") will notify promptly the other Party (the "**Indemnifying Party**") if it becomes aware of an (actual or potential) Third Party Claim for which indemnification may be sought by the Indemnified Party, and will give such information with respect thereto as the Indemnifying Party shall reasonably request. If any proceeding (including, but not limited to, any governmental investigation) is instituted involving the Indemnified Party, the Indemnified Party shall not make any admission or statement concerning a Third Party Claim, but shall promptly notify the Indemnifying Party in writing and the Indemnifying Party and Indemnified Party shall meet to discuss how to respond to such Third Party Claim. The Indemnifying Party shall not be obligated to indemnify the Indemnified Party to the extent any admission or statement made by the Indemnified Party, or any failure by the Indemnified Party to notify the Indemnifying Party of the Claim, materially prejudices the defense of the Third Party Claim.

13.3.2 Defense of Claim. The Indemnifying Party shall defend the Indemnified Party against the Third Party Claim and shall be responsible for satisfying and

discharging any judgment or award made to the Third Party as a result of such proceedings or settlement amount agreed to with the Third Party in respect of the Third Party Claim; provided, that the Indemnifying Party has the financial resources to satisfy any judgment or award made to the Third Party as a result of such proceedings or settlement amount agreed to with the Third Party in respect of the Third Party Claim, without prejudice to any provision in this Agreement or right under applicable Law that allows the Indemnifying Party subsequently to recover any amount from the Indemnified Party. The Indemnifying Party shall retain counsel reasonably acceptable to the Indemnified Party (such acceptance not to be unreasonably withheld, refused, conditioned or delayed) to represent the Indemnified Party and shall pay the fees and expenses of such counsel related to such proceeding. In any such proceeding, the Indemnified Party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of the Indemnified Party unless: (a) the Indemnifying Party and the Indemnified Party shall have mutually agreed to the retention of such counsel, or (b) the named parties to any such proceeding (including, but not limited to, any impleaded parties) include both the Indemnifying Party and the Indemnified Party and representation of both Parties by the same counsel would be inappropriate due to actual or potential differing interests between them. In the circumstance described in the preceding sentence, all reasonable attorneys' fees and expenses of the Indemnified Party shall be reimbursed by the Indemnifying Party as they are incurred. The Indemnified Party shall have the right to control the defense of the Third Party Claim only if the Indemnifying Party fails to defend the Third Party Claim, and if the Indemnified Party controls the defense of such Third Party Claim, the Indemnifying Party shall have the right to participate in such defense at the Indemnifying Party's own expense. The Indemnified Party shall not settle any claim for which it is seeking indemnification without the prior consent of the Indemnifying Party, which consent shall not be unreasonably withheld, refused, conditioned or delayed. The Indemnified Party shall, at the Indemnifying Party's expense and request, cooperate in all reasonable respects in the defense of the Third Party Claim.

13.3.3 Claim Settlement. The Indemnifying Party shall not, without the written consent of the Indemnified Party, which consent shall not be unreasonably withheld, refused, conditioned or delayed, effect any settlement of any pending or threatened proceeding in which the Indemnified Party has sought indemnification hereunder by the Indemnifying Party, unless such settlement involves solely monetary damages and includes an unconditional release of the Indemnified Party from all liability on claims that are the subject matter of such proceeding.

13.4 Assumption of Defense. Notwithstanding anything to the contrary contained herein, an Indemnified Party shall be entitled to assume the defense of any Third Party Claim with respect to the Indemnified Party, upon written notice to the Indemnifying Party pursuant to this Section 13.4, in which case the Indemnifying Party shall be relieved of liability under Section 13.1 or 13.2, as applicable, solely for such Third Party Claim and related Losses.

13.5 Limitation of Liability. UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE FOR LOSS OF USE, LOST PROFITS OR ANY OTHER

COLLATERAL, SPECIAL, CONSEQUENTIAL, PUNITIVE OR OTHER INCIDENTAL DAMAGES, LOSSES, OR EXPENSES, WHETHER BASED UPON A CLAIM OR ACTION OF CONTRACT, WARRANTY, NEGLIGENCE, STRICT LIABILITY OR OTHER TORT, OR OTHERWISE ARISING OUT OF THIS AGREEMENT, PROVIDED THAT THE FOREGOING LIMITATION WILL NOT APPLY WITH RESPECT TO INDEMNITY FOR THIRD PARTY CLAIMS AS PROVIDED IN SECTIONS 13.1 AND 13.2.

ARTICLE 14
TERM AND TERMINATION

14.1 Term. The term of this Agreement shall commence on the Effective Date and shall expire (i) upon expiry of the Collaboration Term if JBI fails to exercise at least one of the License Options as defined in Section 2.2 or (ii) if JBI exercises a License Option, on a Pharmacological Profile-by-Pharmacological Profile and country-by-country basis on the expiration of the last Royalty Term for a Licensed Product with such Pharmacological Profile in such country (the "**Term**"), in each case, unless earlier terminated by a Party as set forth below in this Article 14.

14.2 Termination.

14.2.1 JBI Termination.

(a) JBI shall have the right to terminate this Agreement or its rights hereunder in their entirety or on an Indication-by-Indication, country-by-country, Pharmacological Profile-by-Pharmacological Profile, or Licensed Product-by-Licensed Product basis, without cause, on ninety (90) days written notice to Scholar Rock. In accordance with Section 2.2.2, this Agreement shall terminate immediately in its entirety upon expiration of the License Option for both Pharmacological Profiles and Scholar Rock shall retain all right, title and interest in any and all Collaboration Molecules and/or Lead Molecules existing as of such termination date with either Pharmacological Profiles.

(b) In the event of a Financing Failure, JBI shall have the right to terminate the Agreement at any time upon written notice to Scholar Rock.

14.2.2 Breach. Either Party may, without prejudice to any other remedies available to it at Law or in equity, terminate this Agreement in the event that the other Party (the "**Breaching Party**") shall have materially breached or defaulted in the performance of any of its obligations hereunder. The Breaching Party shall have sixty (60) days (thirty (30) days in the event of non-payment) after written notice thereof was provided to the Breaching Party by the non-breaching Party to remedy such default. Any such termination shall become effective at the end of such sixty (60)-day period (30-day period for non-payment) unless the Breaching Party has cured any such breach or default prior to the expiration of such sixty (60)-day period (30-day period for non-payment).

14.2.3 Bankruptcy. Either Party may terminate this Agreement upon written notice to other Party at any time, to the extent permitted by Law, if the other Party shall make or seek to make or arrange an assignment for the benefit of creditors, or if proceedings in voluntary or involuntary bankruptcy shall be initiated by, on behalf of or against such Party (and, in the case of any such involuntary proceeding, not dismissed within ninety (90) days), or if a receiver or trustee of such Party's property shall be appointed and not discharged within ninety (90) days.

14.3 Effects of Termination. Upon termination of this Agreement under Section 14.1 or 14.2 or otherwise for any reason but not upon expiration, the following shall apply (without prejudice to any other remedies which may be available to a Party at Law or in equity):

14.3.1 Termination of Rights and Licenses. All rights and licenses granted to JBI hereunder shall immediately terminate and be of no further force and effect, and, as applicable in the case of JBI having exercised a License Option, JBI shall (and shall cause its Affiliates and Sublicensees to) immediately cease Developing, Manufacturing and Commercializing Licensed Product (except as otherwise set forth in this Section 14.3).

14.3.2 Assignments. As applicable in the case of JBI having exercised the License Option, JBI will, on an item-by-item basis:

(a) as requested by Scholar Rock, assign and transfer to Scholar Rock all of JBI's (and all of its Affiliates') right, title and interest in and to any agreements between JBI (or any of its Affiliates) and Third Parties that relate solely to the Development, Manufacture or Commercialization of any Licensed Product (including, but not limited to, any Third Party licenses); provided that, if any such agreement does not relate solely to the Development, Manufacture or Commercialization of Licensed Product, then JBI (or its applicable Affiliate) shall assign to Scholar Rock only such portions of such agreements relating thereto that are practicable to assign;

(b) as requested by Scholar Rock, assign and transfer to Scholar Rock, to the extent assignable by JBI in accordance with Law, the management and continued performance of any clinical trials for Licensed Product ongoing as of the effective date of such termination or expiration (provided that if the management and continued performance thereof is not assignable, then at the request of Scholar Rock, JBI shall continue to manage and perform such clinical trial(s) for a limited time period at the direction of Scholar Rock) the entire cost of which that is incurred after the effective date of termination shall be borne by Scholar Rock; and

(c) assign and transfer to Scholar Rock all of JBI's (and all of its Affiliates') right, title and interest in and to any and all Regulatory Materials and Regulatory Approvals for Licensed Products.

To the extent that any agreement or other asset described in this Section 14.3.2 is not assignable by JBI (or its Affiliate, as applicable), then such agreement or other asset will not be assigned, and upon the request of Scholar Rock, JBI will (and will cause its Affiliates to) take

such steps as may be necessary to allow Scholar Rock to obtain and to enjoy the benefits of such agreement or other asset, without additional payment therefor, in the form of a license or other right. In addition, to the extent that any of the foregoing items set forth in this Section 14.3.2 are owned or otherwise controlled by an Affiliate or Sublicensee, JBI shall cause such Affiliate or Sublicensee to make the assignments to Scholar Rock as set forth in this Section 14.3.2. For purposes of clarity, Scholar Rock shall have the right (but not the obligation) in its sole discretion to take assignment of any or all of the foregoing items delineated in this Section 14.3.2.

14.3.3 License Grant; **Other Scholar Rock Rights**. As applicable in the case of JBI having exercised the License Option for a Pharmacological Profile:

(a) JBI (and its Affiliates) agree to grant and hereby grant to Scholar Rock, effective upon such termination of this Agreement, a non-exclusive, worldwide, perpetual license or sublicense, as applicable, with the right to sublicense and authorize the grant of further sublicenses, under any JBI Applied Patents (other than the Antibody Specific Collaboration Patents, but provided that JBI Applied Patents as used in this Section 14.3.3 shall include all Patents to which JBI or any of its Affiliates has the right to grant a license or sublicense even those for which the grant of the sublicense to Scholar Rock to such Patents under this Section 14.3.3 shall require payment by JBI or such Affiliate to the licensor but subject to Scholar Rock's obligation with respect to such payment as stated below in this Section 14.3.3) and JBI Applied Know-How (other than the Antibody Specific Collaboration Know-How) to Develop, make, have made, use, import, sell and offer for sale any Collaboration Molecules, Lead Molecules and Licensed Products in the Field in the Territory. To the extent that any amounts would be owed by JBI under its agreements for any in-licensed JBI Applied Patents or JBI Applied Know-How as a result of the exercise by Scholar Rock of any such sublicense were it to be taken by Scholar Rock, JBI shall notify Scholar Rock of the existence of and anticipated amounts of such payments and Scholar Rock shall have the right to decline a sublicense to such in-licensed JBI Applied Patents and/or JBI Applied Know-How or take such sublicense, in which case Scholar Rock agrees to comply with any obligations under such agreements of JBI that apply to Scholar Rock and of which Scholar Rock was informed by JBI, including, without limitation, any obligation to make such payments, provided that Scholar Rock may set off such payments against any royalties Scholar Rock may owe to JBI pursuant to Section 14.3.7. JBI shall grant to Scholar Rock an exclusive, worldwide, perpetual license, with the right to sublicense and authorize the grant of further sublicenses, under the Antibody Specific Collaboration Patents and Antibody Specific Collaboration Know-How to Develop, make, have made, use, import, sell and offer for sale any Collaboration Molecules, Lead Molecules and Licensed Products in the Field in the Territory.

(b) JBI shall continue to be responsible for the preparation, filing, prosecuting and maintaining of the Antibody Specific Collaboration Patents using counsel of its choice and at its sole cost and expense. JBI shall keep Scholar Rock reasonably informed of all material matters relating to such activities for the Antibody Specific Collaboration Patents (including

providing Scholar Rock with copies of all material correspondence with the applicable patent office from countries or corresponding authorities within the Territory) and shall reasonably consider and accept those reasonable Scholar Rock comments relating to patent prosecution and maintenance decisions. Scholar Rock shall bear any costs and expenses it may incur in connection with its review and consultation concerning any such Antibody Specific Collaboration Patents. Notwithstanding the foregoing, at any time during the term of Scholar Rock's exclusive license pursuant to Section 14.3.3(a), Scholar Rock may notify JBI of Scholar Rock's election to take control of the preparation, filing, prosecuting and maintaining of the Antibody Specific Collaboration Patents using counsel of its choice, in which event, Scholar Rock shall bear all Third Party costs and expenses incurred in connection with such activities and JBI agrees to provide any powers of attorney and execute any other documents as may be reasonably necessary to assist Scholar Rock in such activities.

(c) Scholar Rock shall have the sole and exclusive right to bring an action or proceeding to abate any infringement of the Antibody Specific Collaboration Patents within the scope of the exclusive license granted to Scholar Rock pursuant to Section 14.3.3(a). Scholar Rock agrees to notify JBI of its intention to bring any such action or proceeding and to keep JBI informed of material developments in the prosecution or settlement of such action or proceeding. Scholar Rock shall be responsible for all costs and expenses of any such action or proceeding. JBI shall cooperate fully as may be reasonably requested by Scholar Rock, upon reasonable notice, by joining as a party plaintiff if required to do so by Law to maintain such action or proceeding to collect for Scholar Rock's sole and exclusive benefit any and all damages, profits and awards of any nature recoverable for such infringement, by executing and making available such documents as Scholar Rock may reasonably request, and by performing all other acts which are or may become reasonably necessary to vest in Scholar Rock the right to institute any such action or proceeding, including, without limitation, by using commercially reasonable efforts to obtain any necessary joinder and/or cooperation in any such action or proceeding from any applicable Third Parties. Scholar Rock shall not enter into any settlement or transaction agreement with a Third Party that reduces the scope of or admits invalidity or unenforceability of any Antibody Specific Collaboration Patent claims that will cause material harm to JBI, without the prior written consent of JBI, which shall not be unreasonably withheld or delayed. Scholar Rock shall incur no liability to JBI as a consequence of such litigation or any unfavorable decision resulting therefrom, including any decision holding any Antibody Specific Collaboration Patent invalid or unenforceable. If Scholar Rock obtains any damages, license fees, royalties or other compensation (including, but not limited to, any amount received in settlement of such litigation) from a Third Party in connection with a suit brought by Scholar Rock pursuant to this Section 14.3.3(c), all such amounts shall first be applied to reimburse Scholar Rock for all expenses of such litigation, including, but not limited to, reasonable attorneys' fees and disbursements, court costs and other litigation expenses, and the balance shall be retained in full by Scholar Rock with Scholar

Rock paying royalties on such recovery as if such recovery were Net Sales of Returned Product hereunder (and, for clarity, any such balance shall be considered in the calculation of annual Net Sales for purposes of Section 14.3.7).

14.3.4 Disclosure and Delivery. As applicable in the case of JBI having exercised the License Option, with respect to any JBI Applied Know-How, JBI shall deliver to Scholar Rock the physical embodiment of such JBI Applied Know-How to the extent such Know-How is embodied in documents or biological or chemical materials, and to the extent that such JBI Applied Know-How is not fully embodied in documents or biological or chemical materials, JBI shall make its employees and agents who have knowledge of such JBI Applied Know-How in addition to that embodied in documents available to Scholar Rock for interviews, demonstrations and training, at Scholar Rock's sole expense, in a manner sufficient to enable Scholar Rock to practice such JBI Applied Know-How as theretofore practiced by JBI.

14.3.5 Sublicensees and Subcontractors. As applicable in the case of JBI having exercised the License Option, Scholar Rock shall have the option as practicable, at its sole discretion, to assume the rights and obligations of JBI (or any of its Affiliates) in each sublicense agreement or subcontract with respect to any Licensed Product; provided, however, that to the extent that Scholar Rock does not so assume such rights and obligations, such sublicense and/or subcontract, as applicable, shall terminate.

14.3.6 Disposition of Inventory. As applicable in the case of JBI having exercised the License Option, Scholar Rock shall have the option, exercisable within sixty (60) days following the effective date of such termination or expiration, to purchase any or all of JBI's (and its Affiliates and Sublicensees) inventory of Licensed Product at a price equal to the cost of goods for such Licensed Product calculated in accordance with industry standards (excluding overhead) plus fifteen percent 15%. Scholar Rock may exercise such option by written notice to JBI during such sixty (60)-day period. Upon such exercise, the Parties will attempt to establish mutually agreeable and commercially reasonable payment and delivery terms for the sale of such inventory. JBI shall (and shall cause its Affiliates and Sublicensees to) store inventory of Licensed Product under the same good conditions JBI would for its similar products. If Scholar Rock does not exercise such option during such sixty (60)-day period, or if Scholar Rock provides JBI with written notice of its intention not to exercise such option, then JBI and its Affiliates and Sublicensees will be entitled, to the extent allowed under applicable Laws, during the period commencing upon the expiration of the Scholar Rock option to acquire inventory or its provision of written notice of its intention not to exercise such option, and ending on the last day of the twelfth (12th) full month following the effective date of such termination or expiration, to sell any inventory of Licensed Product affected by such termination or expiration that remain on hand as of the effective date of the termination or expiration, so long as JBI pays to Scholar Rock the royalties and milestones applicable to said subsequent sales in accordance with the terms and conditions set forth in this Agreement.

14.3.7 Royalties on Sales of Licensed Product after Termination. As applicable in the case of JBI having exercised the License Option, for any Licensed Product for which JBI has terminated the Agreement in the event of a partial termination of the Agreement by JBI pursuant to Section 14.2.1, or for all Licensed Products in any other case of termination of the Agreement, Scholar Rock shall pay to JBI a royalty on net sales as specified below made by

Scholar Rock or its Affiliate or sublicensee on all sales of such Licensed Product(s) or products incorporating the same Collaboration Molecule or Lead Molecule as a terminated Licensed Product (collectively "Returned Product").

(a) **Reversion Royalty**. For a Returned Product for which JBI, its Affiliate or Sublicensee has [***] Returned Product prior to termination, the royalty rate shall be [***] percent ([***]%); if JBI, its Affiliate or Sublicensee has [***] Returned Product prior to termination, the royalty rate shall be [***] percent ([***]%); if JBI, its Affiliate or Sublicensee has [***] Returned Product prior to termination, the royalty rate shall be [***] percent ([***]%), and if JBI, its Affiliate or Sublicensee has [***] Returned Product prior to termination, the royalty shall be [***] percent ([***]%). For clarity, neither Scholar Rock nor its Affiliates nor its Sublicensees shall owe JBI a royalty pursuant to this Section 14.3.7(a) on sales of a Returned Product unless JBI or its Affiliate or Sublicensee has [***] Returned Product.

(b) The royalty in this Section 14.3.7 will be determined using the definition of Net Sales applied *mutatis mutandis* to sales by Scholar Rock, its Affiliates and sublicensees, and the term of such royalty, on a Returned Product-by-Returned Product, and country-by-country basis shall be the longer of (i) expiration of the last to expire Valid Claim of a JBI Collaboration Patent or Joint Collaboration Patent claiming or covering the composition of matter of the Returned Product in such country (excluding, for clarity, JBI Collaboration Patents or Joint Collaboration Patents covering the Returned Product formulation), (ii) the tenth (10th) year anniversary of the First Commercial Sale of such Returned Product in such country, or (iii) the termination or expiration of the Regulatory Exclusivity for such Returned Product in such country (the "Reversion Royalty Term"). The terms of such royalties shall be as set forth in Section 8.3 and Sections 9.1-9.4 as applied *mutatis mutandis* to Scholar Rock and its Affiliates and sublicensees.

(c) During the Reversion Royalty Term for a Returned Product, with respect to those countries in which such Returned Product is sold, (a) upon such Returned Product not being covered by a Valid Claim of a JBI Collaboration Patent or Joint Collaboration Patent to the composition-of-matter (excluding, for clarity, JBI Collaboration Patents or Joint Collaboration Patents covering the Returned Product formulation) of such Returned Product in such country, the royalty rates shall be reduced from those set forth in Section 14.3.7(a) by [***] percent ([***]%) (e.g., the applicable royalty in each such country for such Returned Product shall be [***]% where such Returned Product is also one for which JBI, its Affiliate or Sublicensee has [***]), provided that such royalty reduction shall only be [***] percent ([***]%) (e.g., the applicable royalty in each such country for such Returned Product shall be [***]% where such Returned Product is also one for which JBI, its Affiliate or Sublicensee has [***]) during the period of the Reversion Royalty Term that (i) there is then effective Regulatory Exclusivity for such Returned Product in such country and (ii) there is no Biosimilar Product of such Returned Product in such

country; and (b) upon a Biosimilar Product of such Returned Product being introduced in such country, the royalty rates shall be reduced from those set forth in Section 14.3.7(a) by [***] percent ([***]%) (e.g., the applicable royalty in each such country for

such Returned Product shall be [***]% where such Returned Product is also one for which JBI, its Affiliate or Sublicensee has [***]). The definitions for the terms Regulatory Exclusivity and Biosimilar Product shall apply in kind to a Returned Product for purposes of this Section 14.3.7(c). Notwithstanding anything herein to the contrary, none of the foregoing royalty reductions shall be additive and the maximum by which the royalty rates set forth in Section 14.3.7(a) can be reduced is [***] percent ([***]%).

14.4 Accrued Rights. Termination or expiration of this Agreement for any reason will be without prejudice to any rights that will have accrued to the benefit of a Party prior to the effective date of such termination or expiration. Such termination or expiration will not relieve a Party from obligations that are expressly indicated to survive the termination or expiration of this Agreement.

14.5 Survival. The following ARTICLES and Sections, together with any definitions used or exhibits referenced therein, will survive any termination or expiration of this Agreement: Sections 9.6, 11.2, 11.4, 11.5, 12.1.3, 14.3 (and 8.3 and 9.1-9.4 only for purposes of 14.3.7), 14.4 and this 14.5, and ARTICLES 1, 10, 13 and 15.

ARTICLE 15
MISCELLANEOUS

15.1 Dispute Resolution.

15.1.1 The Parties recognize that, from time to time during the Term, disputes may arise as to certain matters which relate to either Party's rights and/or obligations hereunder. It is the objective of the Parties to establish procedures to facilitate the resolution of disputes arising under this Agreement in an expedient manner by mutual cooperation and without resort to litigation. To accomplish this objective, the Parties agree to follow the procedures set forth in this Article 15 to resolve any controversy or claim arising out of, relating to or in connection with any provision of this Agreement.

15.1.2 Referral of Disputes to Senior Management. With respect to all disputes arising between the Parties, including, but not limited to, any alleged failure to perform, or breach, of this Agreement, or any issue relating to the interpretation or application of this Agreement, that is not resolved within thirty (30) days after such dispute is first identified by either Party in writing to the other Party, the dispute shall first be presented, upon written notice by either Party, to a senior officer of JBI at no less than Vice President level and the CEO or equivalent senior officer of Scholar Rock for resolution prior to proceeding with arbitration under the following provisions in this Article 15. Such executives or their designees shall meet (in person or by teleconference) to attempt in good faith to resolve such dispute through discussions promptly following such written notice, and in any event within fifteen (15) Business Days thereafter. If such senior officers of JBI and Scholar Rock or their respective designees cannot resolve the dispute within thirty (30) days of the written request to do so, either Party may thereafter, by written notice to the other, invoke the provisions of Sections 15.1.3 below, except

that the provisions of Section 15.1.3 or 15.1.4 shall not be invoked and rather Scholar Rock shall have the right to invoke its tie-breaking authority if the dispute relates to (i) the preparation, filing, prosecution and/or maintenance of the Collaboration Patents during the Option Period pursuant to Section 11.3.1, (ii) the enforcement of the Scholar Rock Core Patents pursuant to Section 11.6.1(b)(i), or (iii) items within Program Committee decision making pursuant to Section 3.13 and, if the Program Committee is no longer in existence at such time, then Scholar Rock shall have its tie-breaking authority pursuant to this Section 15.1.2.

15.1.3 Mediation. Every dispute must first be submitted to non-binding mediation before any arbitration of such dispute may be commenced.

(i) Mediation shall be conducted according to the CPR Mediation Procedure for Business Disputes ("**CPR Procedure**"). Either Party may initiate a mediation by written notice to the other of the existence of a dispute requiring mediation. The mediator shall be chosen pursuant to the CPR Procedure.

(ii) Mediation shall continue until the mediator, or any Party, declares in writing, no sooner than after the conclusion of one full day of a substantive mediation conference, or after another Party's refusal to attend such a conference, that the dispute cannot be resolved by mediation. In no event, however, shall a mediation continue more than sixty (60) days.

(iii) No Party shall take any action with respect to any dispute to the prejudice of any other Party during the pendency of a mediation. The Parties hereby agree that any period of limitations that would otherwise expire between the initiation of a mediation and its conclusion shall be extended until twenty (20) days after the conclusion of the mediation.

15.1.4 Arbitration. Any dispute, claim or controversy arising from or related in any way to this Agreement or the interpretation, application, breach, termination or validity thereof, including any claim of inducement of this Agreement by fraud or otherwise, and further including any such controversy or claim involving the parent company, subsidiaries, or affiliates under common control of any Party, that is not resolved according to the procedures of Sections 15.1.1-15.1.3 will be submitted for resolution to arbitration pursuant to the *Non-Administered Arbitration Rides* then in effect of the

International Institute for Conflict Prevention and Resolution ("CPR") (available at http://www.cpradr.org), or successor, except where those rules conflict with these provisions, in which case these provisions control. The arbitration will be held in New York, New York. The Parties hereby agree that any period of limitations that would otherwise expire between the initiation of an arbitration proceeding and its conclusion shall be extended until twenty (20) days after the conclusion of the arbitration.

(a) The panel shall consist of three arbitrators chosen from the CPR Panels of Distinguished Neutrals (unless the parties agree on the selection of the arbitrators) each of whom shall be a lawyer with at least 15 years experience with a law firm or corporate law department of over 25 lawyers or who was a judge of a court of general jurisdiction. In the event the

aggregate damages sought by the claimant are stated to be less than $5 million, and the aggregate damages sought by the counterclaimant are stated to be less than $5 million, and neither side seeks equitable relief, then a single arbitrator shall be chosen, having the same qualifications and experience specified above. Each arbitrator shall be impartial and independent of the parties and shall abide by the *Code of Ethics for Arbitrators in Commercial Disputes* (available at http://www.adr.org/EthicsAndStandards).

(b) In the event the Parties cannot agree upon selection of the arbitrator(s), the CPR will select arbitrator(s) as follows: CPR shall provide the Parties with a list of no less than 25 proposed arbitrators (15 if a single arbitrator is to be selected) having the credentials referenced above. Within 25 days of receiving such list, the Parties shall rank at least 65% of the proposed arbitrators on the initial CPR list, after exercising cause challenges. The Parties may then jointly interview the five candidates (three if a single arbitrator is to be selected) with the highest combined rankings for no more than one hour each and, following the interviews, may exercise one peremptory challenge each. The panel will consist of the remaining three candidates (or one, if one arbitrator is to be selected) with the highest combined rankings. In the event these procedures fail to result in selection of the required number of arbitrators, CPR shall select the appropriate number of arbitrators from among the members of the various CPR Panels of Distinguished Neutrals, allowing each side challenges for cause and one peremptory challenge each.

(c) The Parties agree to cooperate (1) to attempt to select the arbitrator(s) by agreement within 45 days of initiation of the arbitration, including jointly interviewing the final candidates, (2) to meet with the arbitrator(s) within 45 days of selection and (3) to agree at that meeting or before upon procedures for discovery and as to the conduct of the hearing which will result in the hearing being concluded within no more than nine (9) months after selection of the arbitrator(s) and in the award being rendered within 60 days of the conclusion of the hearings, or of any post-hearing briefing, which briefing will be completed by both sides within 45 days after the conclusion of the hearings.

(d) In the event the Parties cannot agree upon procedures for discovery and conduct of the hearing meeting the schedule set forth above, then the arbitrator(s) shall set dates for the hearing, any post-hearing briefing, and the issuance of the award following the schedule as closely as practical. The arbitrator(s) shall provide for discovery according to those time limits, giving recognition to the understanding of the Parties that they contemplate reasonable discovery, including document demands and depositions, but that such discovery will be limited so that the paragraph (c) schedule may be met without difficulty. In no event will the arbitrator(s), absent agreement of the Parties, allow more than a total of ten days for the hearing or permit either side to obtain more than a total of 40 hours of deposition testimony from all witnesses, including both fact and expert witnesses, or serve more than 20 individual requests for documents, including subparts. There shall be no requests for admission or interrogatories. Multiple hearing days will be scheduled consecutively to the greatest extent possible. The arbitrator(s) shall have power to exclude evidence on grounds of hearsay, prejudice beyond its

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probative value, redundancy, or irrelevance and no award shall be overturned by reason of any ruling on evidence. A transcript of the testimony adduced at the hearing shall be made and shall, upon request, be made available to either Party.

(e) The arbitrator(s) are expressly empowered to decide dispositive motions in advance of any hearing, including but not limited to motions to dismiss and motions for summary judgment, and shall endeavor to decide such motions as would a Federal District Judge sitting in the jurisdiction whose substantive law governs as set forth in paragraph (f) below.

(f) The arbitrator(s) shall decide the issues presented in accordance with the substantive law of the State of New York and may not apply principles such as "amiable compositeur" or "natural justice and equity." The arbitrator(s) shall render a written opinion stating the reasons upon which the award is based. To the extent possible, the arbitration hearings and award will be maintained in confidence.

(g) In the event the award exceeds $5 million in monetary damages, or grants any form of equitable relief, or rejects a claim in excess of that amount or for equitable relief, then the losing party may obtain review of the arbitrators' award or decision by a single appellate arbitrator (the "Appeal Arbitrator") selected from the CPR Panels of Distinguished Neutrals by agreement or, failing agreement within ten working days, pursuant to the selection procedures specified in paragraph d above. If CPR cannot provide such services, the parties will together select another provider of arbitration services that can. No Appeal Arbitrator shall be selected unless he or she commits to adhering to the time limits provided in paragraph (h). Any such review must be initiated by written notice to the other party or parties within thirty (30) days following the rendering of the award referenced in this paragraph (g). Such notice will suspend the effect of the award, which will not be considered a final award unless the appeal is subsequently abandoned.

(h) The Appeal Arbitrator will review the award applying the same standards of review that the U.S. Court of Appeals of the Circuit applicable to the jurisdiction whose substantive law governs as set forth in paragraph (f) would apply to a judgment rendered by a district court after a bench trial. The Appeal Arbitrator may modify, vacate or affirm the award, or remand to the arbitrator(s) for further proceedings. The Appeal Arbitrator will

consider only the award, pertinent portions of the hearing transcript and evidentiary record as submitted by the Parties, opening and reply briefs of the Party pursuing the review, and the answering brief of the opposing Party, plus a total of no more than four (4) hours of oral argument evenly divided between the Parties. The Party seeking review must submit its opening brief within seventy-five (75) days and any reply brief within one hundred thirty (130) days from the date of the award under review, whereas the opposing Party must submit its responsive brief within one hundred ten (110) days of that date. Oral argument shall take place within five (5) months after the date of the award under review, and the Appeal Arbitrator shall render a decision within forty-five (45) days following oral argument. The decision of the Appeal Arbitrator will be considered the final award in the arbitration and will not be subject to further review, except pursuant to the Federal Arbitration Act.

(i) The Parties consent to the jurisdiction of the Federal District Court for the district in which the arbitration is held for the enforcement of these provisions and the entry of judgment on any award rendered hereunder (including after review by the Appeal Arbitrator where such an appeal is pursued). Should such court for any reason lack jurisdiction, any court with jurisdiction may act in the same fashion.

(j) Each Party has the right before or, if the arbitrator(s) cannot hear the matter within an acceptable period, during the arbitration to seek and obtain from the appropriate court provisional remedies such as attachment, preliminary injunction, replevin, etc. to avoid irreparable harm, maintain the status quo, or preserve the subject matter of the arbitration.

(k) EACH PARTY HERETO WAIVES ITS RIGHT TO TRIAL OF ANY ISSUE BY JURY.

(l) (i) EACH PARTY HERETO WAIVES ANY CLAIM TO PUNITIVE, EXEMPLARY OR MULTIPLIED DAMAGES FROM THE OTHER, except that the arbitrator(s) shall have the power to award any relief provided by governing statute, (ii) EACH PARTY HERETO WAIVES ANY CLAIM OF CONSEQUENTIAL DAMAGES FROM THE OTHER, and (iii) EACH PARTY HERETO WAIVES ANY CLAIM FOR ATTORNEYS' FEES AND COSTS AND PREJUDGMENT INTEREST FROM THE OTHER, except in each case of (i), (ii) and (iii), the foregoing limitation will not apply with respect to indemnity for Third Party Claims as provided in Sections 13.1 and 13.2.

15.2 Injunctive Relief. Notwithstanding anything to the contrary in this Agreement, either Party will have the right to seek temporary or permanent injunctive relief in any court of competent jurisdiction as may be available to such Party under the laws and rules applicable in such jurisdiction with respect to any matters arising out of the other Party's performance of its obligations under this Agreement.

15.3 Governing Law. Resolution of all disputes arising out of or related to this Agreement or the performance, enforcement, breach or termination of this Agreement and any remedies relating thereto, shall be governed by and construed under the substantive laws of the State of New York, without regard to conflicts of law rules.

15.4 Insurance. Each Party shall procure and maintain at all times during the Term of this Agreement, at its own expense, insurance as specified in Exhibit C. It is understood that such insurance shall not be construed to create a limit of either Party's liability with respect to its indemnification obligations under ARTICLE 13. Each Party shall provide the other with written evidence of such insurance upon request. Each Party shall provide the other with written notice at least fifteen (15) days prior to the cancellation, non-renewal or material change in such insurance.

15.5 Entire Agreement; **Amendment**. This Agreement, including, but not limited to, the Exhibits attached hereto (each of which is hereby incorporated herein by reference), sets

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forth the complete, final and exclusive agreement and all the covenants, promises, agreements, warranties, representations, conditions and understandings between the Parties hereto and supersedes and terminates all prior agreements and understandings between the Parties. There are no covenants, promises, agreements, warranties, representations, conditions or understandings, either oral or written, with respect to the subject matter hereof, between the Parties other than as are set forth herein. No subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the Parties unless reduced to writing and signed by an authorized officer of each Party.

15.6 Force Majeure. Neither Party shall be liable to the other for any failure or delay in the fulfillment of its obligations under this Agreement (other than the payment of monies due and owing to a Party under this Agreement), when any such failure or delay is caused by fire, flood, earthquakes, explosions, sabotage, strikes, lockouts, lack of adequate raw materials, insurrections, civil commotions, riots, invasions, wars, acts of war (whether war be declared or not), peril of the sea, acts, restraints, requisitions, regulations or directions of, or omissions or delays in acting by, Governmental Authorities, acts of God, or any similar cause beyond the reasonable control of the performing Party (each, a "**Force Majeure Event**"). In the event that either Party is prevented from discharging its obligations under this Agreement on account of a Force Majeure Event, the performing Party will notify the other Party forthwith, and will nevertheless make every endeavor, in the utmost good faith, to discharge its obligations, even if in a partial or compromised manner. Notwithstanding the foregoing, in the event that JBI is unable to cure any failure to fulfill its obligations under this Agreement due to Force Majeure Event within ninety (90) days of the notice of such failure, then Scholar Rock shall, at its discretion, have the ability to terminate this Agreement.

15.7 Notices. All notices or other communications that are required or permitted under this Agreement will be in writing and delivered personally, sent by internationally-recognized overnight courier to the addresses below. Any such communication will be deemed to have been given (a) when delivered, if personally delivered, and (b) on the second Business Day after dispatch, if sent by internationally-recognized overnight courier. Unless otherwise specified in writing, the mailing addresses of the Parties shall be as described below.

For JBI:

President
Janssen Biotech, Inc.
800/850 Ridgeview Drive
Horsham, PA 19044
Phone:215-325-5170

with a copy to:

Vice-President, Patent Law
Janssen Biotech, Inc.
1400 McKean Road
Spring House, PA 19477

For Scholar Rock:

Scholar Rock, Inc.
Attention: President
300 Third St., 4th Floor
Cambridge, MA 02142

15.8 Independent Contractors. In making and performing this Agreement, JBI and Scholar Rock shall act at all times as independent contractors and nothing contained in this Agreement shall be construed or implied for any purpose to create an agency, partnership, limited partnership, joint venture or employer and employee relationship between JBI and Scholar Rock and this Agreement shall not be construed to suggest otherwise. At no time shall one Party make commitments or incur any charges or expenses for or in the name of the other Party. Except as otherwise provided in this Agreement, each Party shall be solely responsible for its own costs and expenses associated with this Agreement.

15.9 Assignment.

15.9.1 In general. Neither Party may assign or transfer this Agreement or any rights or obligations hereunder without the prior written consent of the other Party; provided that, either Party may make such an assignment, without the other Party's consent, to an Affiliate or to a successor to all or substantially all of the assets or business of such Party to which this Agreement relates, whether in a merger, sale of stock, sale of assets, reorganization or other transaction. Any permitted assignment shall be binding on the successors of the assigning Party. Any assignment or attempted assignment by either Party in violation of the terms of this Section 15.9.1 shall be null and void.

15.9.2 Securitization. Notwithstanding anything to the contrary in Section 15.9.1 or elsewhere in this Agreement, Scholar Rock may assign its rights to any Third Party to receive royalties under Section 8.3 (a "Securitization"), and Scholar Rock may disclose Confidential Information to a Third Party in connection with a Securitization to the extent reasonably necessary to enable the Third Party to evaluate the Securitization opportunity and to allow such Party to exercise its rights under this Section 15.9.2 (provided that such Third Party shall be subject pursuant to a written agreement to obligations of confidentiality and non-use with respect to such Confidential Information substantially similar to the obligations of confidentiality and non-use of Scholar Rock pursuant to ARTICLE 10 hereof). Any additional assignment of rights related to a Securitization shall be subject to a further written agreement between the Parties.

15.10 Consequences of Scholar Rock Industry Transaction.

15.10.1 [***].

15.10.2 [***].

15.11 Counterparts. This Agreement may be executed in two counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures provided by facsimile or "PDF" transmission shall be deemed to be original signatures.

15.12 Further Actions. Each Party agrees to execute, acknowledge and deliver such further instruments, and to do all such other acts, as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

15.13 Third Party Beneficiaries. The agreements, covenants and representations contained herein are for the benefit of the Parties only and are not for the benefit of any Third Parties.

15.14 Performance by Affiliates. Subject to the terms and conditions of this Agreement, either Party may perform any obligation and exercise any right under this Agreement through any of its Affiliates. Each Party hereby guarantees the performance by its Affiliates of such Party's obligations under this Agreement, and shall cause its Affiliates to comply with the provisions of this Agreement in connection with such performance. Any breach by a Party's Affiliate of any of such Party's obligations under this Agreement shall be deemed a breach by such Party, and the other Party may proceed directly against such Party without any obligation to first proceed against such Party's Affiliate.

15.15 Severability. If any one or more of the provisions of this Agreement is held to be invalid or unenforceable by any court of competent jurisdiction from which no appeal can be or is taken, the provision shall be considered severed from this Agreement and shall not serve to invalidate any remaining provisions hereof. The Parties shall make a good faith effort to replace any invalid or unenforceable provision with a valid and enforceable one such that the objectives contemplated by the Parties when entering this Agreement may be realized.

15.16 Certain Conventions. Any reference in this Agreement to an Article, subarticles, Section, paragraph, clause or Exhibit shall be deemed to be a reference to an Article, subarticles, Section, paragraph, clause or Exhibit, of or to, as the case may be, this Agreement, unless otherwise indicated. Unless the context of this Agreement otherwise requires, (a) words of any gender include each other gender; (b) words such as "herein," "hereof," and "hereunder" refer to this Agreement as a whole and not merely to the particular provision in which such words appear; (c) words using the singular shall include the plural, and vice versa; (d) the words "include," "includes" and "including" shall be deemed to be followed by the phrase "but not limited to," "without limitation," "inter alia" or words of similar import, and the words "exclude," "excludes" and "excluding" shall be deemed to be followed by the phrase "but not limited to," "without limitation," "inter alia" or words of similar import; (e) the phrase "unreasonably withheld" or words of similar import, when used in connection with the right of a Party to consent or approve an action, shall mean that such consent or approval shall not be unreasonably withheld, refused, conditioned or delayed; and (f) references to any specific law, rule or regulation, or article, section or other division thereof, shall be deemed to include the

then-current amendments thereto or any replacement law, rule or regulation thereof. Whenever this Agreement refers to a number of days, unless otherwise specified, such number shall refer to calendar days.

15.17 Headings. The headings for each article and section in this Agreement have been inserted for convenience of reference only and are not intended to limit or expand on the meaning of the language contained in the particular article or section.

15.18 No Waiver; **Remedies**. Any delay in enforcing a Party's rights under this Agreement or any waiver as to a particular default or other matter shall not constitute a waiver of such Party's rights to the future enforcement of its rights under this Agreement, excepting only as to an express written and signed waiver as to a particular matter for a particular period of time. The exercise of any right or remedy does not constitute the exclusive election, or prevent the exercise of any or all other rights or remedies, all rights and remedies being cumulative.

15.19 Drafting Responsibility. This Agreement has been fully and freely negotiated by the Parties hereto, shall be considered as having been drafted jointly by the Parties hereto, and shall be interpreted and construed as if so drafted, without construction in favor of or against any Party on account of its participation in the drafting hereof.

15.20 Anti-Corruption. Neither Party shall perform any actions that are prohibited by local and other anti-corruption laws (including the U.S. Foreign Corrupt Practices Act, collectively "**Anti-Corruption Laws**") that may be applicable to one or both Parties to this Agreement. Without limiting the foregoing, neither Party shall make any payments, or offer or transfer anything of value, to any government official or government employee, to any political party official or candidate for political office or to any other Third Party related to the activities under this Agreement in a manner that would violate Anti-Corruption Laws.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Option and License Agreement by their proper officers as of the Effective Date.

Janssen Biotech, Inc.		**Scholar Rock, Inc.**	
By:	_____	By:	_____
Name:	_____	Name:	_____
Title:	_____	Title:	_____

EXHIBIT LIST

A - SCHOLAR ROCK PATENTS

B - PROGRAM PLAN

C - INSURANCE

D - NME CRITERIA

E - J&J UNIVERSAL CALENDAR

F - PRESS RELEASE

G - COLLABORATION MOLECULES AFFINITY & SELECTIVITY PARAMETERS

H - [***] CONSTRUCTS

I-ADDITIONAL LICENSE TERMS FOR CMCC IN-LICENSED PATENTS

[***] INDICATES MATERIAL THAT HAS BEEN OMITTED AND FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED. ALL SUCH OMITTED MATERIAL HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO RULE 406 PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED

Exhibit A

Scholar Rock Patents

Docket No.:	Country	Owner	Title	Filing Date	Application No.:
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
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Exhibit B

Program Plan

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Exhibit C

Insurance

Insurance Requirements

A. For JBI and Scholar Rock:

Each Party shall maintain insurance coverage consistent with normal business practices and adequate to cover the risks associated with its performance of any activities under the Agreement.

B. For JBI:

JBI will maintain insurance (or self-insurance) in an amount consistent with industry standards. At a minimum, such insurance (or self-insurance) shall include (i) commercial general liability insurance in amounts not less than $2,000,000 per occurrence and $2,000,000 annual aggregate and (ii) product liability insurance in amounts not less than $2,000,000 per occurrence and $2,000,000 annual aggregate.

C For Scholar Rock:

1. Commercial General Liability and Umbrella Liability

Coverage on a Commercial General Liability Occurrence Coverage Form (or equivalent) including coverage for completed operations and contractual liability with limits of not less than $1,000,000 per occurrence and $2,000,000 annual aggregate. Umbrella Liability with a limit of liability no less than $5,000,000 each occurrence. Scholar Rock will obtain product liability coverage at such time as Scholar Rock or any of its Affiliates starts its first human clinical trial.

Each of the above coverages shall include worldwide coverage including coverage for USA jurisdiction claims and occurrences. Scholar Rock's policy shall include JBI and its Affiliates, and their directors, officers and employees, as Additional Insureds.

2. Workers' Compensation

Coverage on a Workers' Compensation Form (or equivalent) in accordance with applicable law, covering all employees who are to provide services in connection with the Agreement. Scholar Rock shall also maintain Employers' Liability coverage, including alternate employer endorsement in favor of JBI, with limits of not less than the following:

Bodily Injury by Accident	$500,000 Each Accident
Bodily Injury by Disease	$500,000 Each Employee
Bodily Injury by Disease	$500,000 Policy Limit

3. Professional Liability/Errors & Omissions

Prior to April 2014, Scholar Rock will obtain coverage on a Professional Liability Form and/or Errors & Omissions (or equivalent) for the Term and for a period of at least three (3) years after termination.

4. Miscellaneous

(a) Scholar Rock's policies for each of the coverages set forth above shall specifically waive any rights of subrogation against JBI and its Affiliates, and their directors, officers and employees.

(b) Scholar Rock shall supply JBI with the above proof of insurance and forms, including any endorsements, as required upon the signing of this Agreement, but JBI's failure to demand such proof or forms shall not waive JBI's and/or JBI's Affiliates' rights to such coverage as specified herein.

(c) All insurance companies for each of the coverages set forth above must be rated A or better with a financial rating of VII or better in the most recent A. M. Best's Rating Guide.

(d) All insurance policies for each of the coverages set forth above for Scholar Rock shall provide for thirty days (30) days' prior written notice to JBI of any cancellation, nonrenewal or material change of coverage.

(e) All Scholar Rock insurance will be primary with no right of contribution by JBI, its Affiliates, or their respective insurers. Scholar Rock will be solely and fully responsible for any deductibles or self-insured retentions under any required coverage. Scholar Rock will remain liable for any insurance obligation not satisfied; however, this requirement will in no way restrict or reduce any indemnification obligations contained elsewhere in this Agreement.

D. JBI acknowledges and agrees that Scholar Rock may satisfy any of its insurance requirements pursuant to Section B as an additional insured under its parent Scholar Rock, LLC's policies, where such policies satisfy the coverage and limits specified in such Section B.

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Exhibit D

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Exhibit E

J& J Universal Calendar

Johnson & Johnson 2013 Accounting Calendar

Accounting Period		Weeks		2013	
		Month	YTD	Open	Close
1	January	4	4	31-Dec-12	27-Jan-13
2	February	4	8	28-Jan-13	24-Feb-13
3	March	5	13	25-Feb-13	31-Mar-13
4	April	4	17	1-Apr-13	28-Apr-13
5	May	4	21	29-Apr-13	26-May-13
6	June	5	26	27-May-13	30-Jun-13
7	July	4	30	1-Jul-13	28-Jul-13
8	August	4	34	29-Jul-13	25-Aug-13
9	September	5	39	26-Aug-13	29-Sep-13
10	October	4	43	30-Sep-13	27-Oct-13
11	November	4	47	28-Oct-13	24-Nov-13
12	December	5	52	25-Nov-13	29-Dec-13

Johnson & Johnson 2014 Accounting Calendar

Accounting Period		Weeks		2014	
		Month	YTD	Open	Close
1	January	4	4	30-Dec-13	26-Jan-14
2	February	4	8	27-Jan-14	23-Feb-14
3	March	5	13	24-Feb-14	30-Mar-14
4	April	4	17	31-Mar-14	27-Apr-14

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5	May	4	21	28-Apr-14	25-May-14
6	June	5	26	26-May-14	29-Jun-14
7	July	4	30	30-Jun-14	27-Jul-14
8	August	4	34	28-Jul-14	24-Aug-14
9	September	5	39	25-Aug-14	28-Sep-14
10	October	4	43	29-Sep-14	26-Oct-14

11	November	4	47	27-Oct-14	23-Nov-14
12	December	5	52	24-Nov-14	28-Dec-14

Exhibit F

Press Release

Scholar Rock Announces Collaboration with Johnson & Johnson Innovation to Discover and Develop Novel Biologies for the Treatment of Autoimmune Diseases and Cancer

Company's first drug discovery partnership to target growth factor signaling in the immune system microenvironment with proprietary niche activators

CAMBRIDGE, MASS. January 8, 2014—Scholar Rock, LLC, announced today that it has signed a research collaboration with Johnson & Johnson Innovation and its affiliate Janssen Biotech, Inc. to discover and develop novel biologic therapeutics that regulate signaling in the immune system by targeting the growth factor, TGF-beta 1.

"We are delighted to collaborate with Johnson & Johnson Innovation and Janssen Biotech to discover and develop novel biologies that target growth factor signaling in the immune system microenvironment, with the potential to have therapeutic effects specifically at the source of disease," said Nagesh Mahanthappa, PhD, Chief Executive Officer of Scholar Rock. "Although TGF-beta 1 has been actively pursued as a drug target, most current approaches encounter challenges in triggering systemic effects. Our technology is designed to take a new approach by targeting TGF-beta 1 niche activators locally."

The research collaboration will focus on the discovery and development of novel biologies, called niche activators, to target TGF-beta 1 in the immune system microenvironment and offer a potential new therapeutic approach for autoimmune diseases and cancer immunotherapies. Immunologists from the Johnson & Johnson Innovation Center and Janssen Biotech will work with Scholar Rock to therapeutically target the TGF-beta 1 activation mechanism by applying Scholar Rock's proprietary technology platform. This platform builds upon the recent discoveries of Scholar Rock co-founder, Dr. Timothy A. Springer, that have elucidated molecular mechanisms of growth factor activation in tissue microenvironments.

"We envision development of niche activators as a broad class of therapeutics with novel mechanisms of action," said Timothy A. Springer, PhD, co-founder of Scholar Rock and Latham Family Professor at Harvard Medical School and Professor of Medicine at Children's Hospital Boston. "This collaboration exploits new understanding of growth factor biology in the microenvironment in order to create novel therapeutics with the potential to maximize action at the site of disease, and offer a new approach for debilitating diseases with limited treatment options."

Under the agreement, Janssen Biotech, Inc. obtains a worldwide exclusive option to license, develop and commercialize biologic therapeutics resulting from the alliance with Scholar Rock. Scholar Rock will receive research support, and is eligible to receive option payments, preclinical,

clinical and regulatory milestone payments. Scholar Rock may also receive royalties and commercial milestones on product sales for each product advanced.

About Niche Activators of Growth Factors

Scholar Rock's therapeutics are designed to target niche activators of protein growth factors that are uniquely present in the microenvironment of specific types of cells and tissues. Niche activators are able to result in highly specific therapeutic effects for growth factor regulation at the site of disease, which is distinct from traditional approaches that systemically target a growth factor and shut down its harmful function in disease but can also cause side effects on normal functions that depend on the same growth factor. Protein growth factors have been widely recognized as disease targets because of their fundamental roles in regulating cell growth and differentiation, but recent discoveries deepen the understanding of activation mechanisms in the extracellular and cell surface microenvironments that enable improved therapeutic strategies.

About Scholar Rock

Scholar Rock is a biotechnology company discovering and developing a new class of biologic therapies, called niche activators, to target disease-causing proteins in the microenvironment, resulting in therapeutic effects specifically at the source of disease. The company's proprietary technology has a unique capability for designing niche activators to be highly selective in targeting protein growth factors and open up a new therapeutic approach to address challenging diseases. Scholar Rock's founders and scientific advisors are leaders in elucidating new insights related to molecular mechanisms of growth factor signaling. The company's niche activators have a wide range of disease applications including autoimmune diseases, fibrosis, and diseases of musculoskeletal systems.

Exhibit G

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Exhibit H

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Exhibit I

Additional License Terms for CMCC In-Licensed Patents

JBI's license and other rights under the Agreement to the CMCC In-Licensed Patents are subject to the additional terms and conditions set forth below.

1. Reserved Rights.

   a. As modified by the Letter Agreement between CMCC, Scholar Rock and JBI, on or about the date of the Agreement, CMCC retains a royalty-free, nonexclusive, right to practice and/or use the CMCC In-Licensed Patents for research, educational, clinical and/or charitable purposes, but no commercial purposes, and, for the avoidance of doubt, receipt of payment by CMCC for such clinical use shall not be deemed a commercial use. CMCC has the right to license for a nominal fee (such as shipping and handling charges) the CMCC In-Licensed Patents to other academic or nonprofit research organizations to practice and/or use the CMCC In-Licensed Patents for research (excluding sponsored research), teaching and educational purposes only. Any such license granted by CMCC shall specifically exclude and prohibit commercialization of the CMCC In-Licensed Patents unless such organization enters into an agreement with Scholar Rock on terms consistent with the In-License Agreement, but in other respects agreeable to Scholar Rock in Scholar Rock's sole discretion, (see §II(B))

   b. Nothing in the In-License Agreement shall be construed to limit or constrain CMCC, or any officer, director, employee, member of its medical staff, or of any CMCC Affiliate (as defined in the In-License Agreement), from continuing to engage in related research; or from the development of related or unrelated inventions, discoveries, rights or technology, and from practicing, licensing or sublicensing related or unrelated intellectual property rights arising from inventions occurring after the effective date of the In-License Agreement; or from academic publication related thereto; or from entering into agreements and other relationships with other persons or organizations related to matters not directly and expressly within the scope of the In-License Agreement, (see §IT(E))

2. Prosecution, Defense and Enforcement Rights. JBI's rights to prepare, file, prosecute and/or maintain under Section 11.3, to defend under Section 11.5, and to enforce under Section 11.6.1(b), the CMCC In-Licensed Patents are subject to the terms of such Sections and the terms of Article VII and Article VIII of the In-License Agreement.

3. Indemnification. (see §IX(A), (B), (D))

   (a) JBI shall indemnify, defend and hold harmless CMCC, its corporate affiliates, current or future directors, trustees, officers, faculty, medical and professional staff, employees, students and agents and their respective successors, heirs and assigns (collectively, the "CMCC Indemnitees"), against any claim, liability, cost, damage, deficiency, loss,

expense or obligation of any kind or nature (including without limitation reasonable attorneys' fees and other costs and expenses of litigation) incurred by or imposed upon the CMCC Indemnitees or any one of them in connection with any claims, suits, actions, demands or judgments arising out of any theory of product liability (including, but not limited to, actions in the form of tort, warranty, or strict liability) concerning any product, process or service made, used or sold pursuant to any right or license granted to the CMCC In-Licensed Patents under the Agreement. JBI's indemnification hereunder shall not apply to any liability, damage, loss or expense to the extent that it is directly attributable to the negligent activities, reckless misconduct or intentional misconduct of the CMCC Indemnitees.

(b) JBI agrees, at its own expense, to provide attorneys reasonably acceptable to CMCC to defend against any actions brought or filed against any party indemnified hereunder with respect to the subject of indemnity contained herein, whether or not such actions are rightfully brought.

4. Insurance. (see §IX(E)-(G))

(a) Without limiting the generality of JBI's obligations under Section 15.4 (Insurance) of the Agreement, JBI shall, at its sole cost and expense, procure and maintain commercial general liability insurance in amounts not less than $2,000,000 per occurrence and $2,000,000 annual aggregate and naming the CMCC Indemnitees as additional insureds. JBI shall also procure and maintain, at its sole cost and expense, product liability insurance in amounts not less than $2,000,000 per occurrence and $2,000,000 annual aggregate. The minimum amount of insurance coverage required hereunder shall not be construed to create a limit of JBI's liability with respect to its indemnification obligations as specified in Paragraph 3 of this Exhibit I.

(b) JBI shall provide CMCC with written evidence of such insurance upon written request of CMCC. JBI shall provide CMCC with written notice at least fifteen (15) days prior to the cancellation, non-renewal or material change in such insurance. If JBI does not obtain replacement insurance providing comparable coverage within such fifteen (15) day period, CMCC shall have the right to terminate JBI's license to the CMCC In-Licensed Patents under the license grant of Section 2.1.1 of the Agreement effective at the end of such fifteen (15) day period without notice of any additional waiting periods.

5. Compliance with Laws; Export Controls. JBI shall comply with all applicable laws and regulations, including, without limitation, statutes and regulations affecting drug testing, development, marketing and distribution; laws and implementing regulations of the Department of Commerce governing intellectual property in federally-funded inventions; and Export Administration Regulations of the United States Department of Commerce issued pursuant to the Export Administration Act of 1979 (50 App. U.S.C. §2401 et. seq.). JBI understands and acknowledges that transfer of certain technical data, computer software, laboratory prototypes and other commodities is subject to United States laws and regulations

controlling their export, some of which prohibit or require a license for the export of certain types of technical data, to certain specified countries. JBI further acknowledges and agrees that CMCC neither represents that a license shall not be required, nor that if required, it shall be issued. JBI shall comply with all United States laws and regulations, and any applicable similar laws and regulations of any other country, controlling the export of commodities and

technical data, that it shall be solely responsible for any violation of such by its Affiliates and/or Sublicensees, and, subject to Paragraph 3 of this Exhibit I. that it shall defend and hold CMCC, its affiliates and their officers, directors, employees, agents, and medical staff harmless in the event of any legal action of any nature occasioned by such violation, and any action by any governmental agency or authority, or any other party, relating to any asserted illegality or regulatory violation in the development, production, approval, marketing, sale, storage, manufacture, distribution, export or commercialization of Licensed Products, (see §XI (A))

6. Non-Use of Names; No Endorsement. JBI acknowledges and agrees that it shall not use the names, logos or trademarks of CMCC or any of its affiliates, nor the name or photograph or other depiction of any employee or member of the staff or student of CMCC or such affiliates, nor any adaptation of any of the foregoing, in any advertising, promotional, or sales literature without, in each case, prior written consent from CMCC and from the individual staff member, employee, or student if such individual's name, photograph or depiction is used. Notwithstanding the foregoing, JBI may state that it is licensed by CMCC under one or more of the CMCC In-Licensed Patents, and JBI may comply with disclosure requirements of all applicable laws relating to its business, including United States and state security laws. In addition, JBI may refer to publications by employees of CMCC in the scientific literature, (see §XII)

7. Third Party Beneficiary. JBI acknowledges and agrees that CMCC is not a party to this Agreement and has no liability to JBI or any of its Affiliates or Sublicensees, but CMCC is an intended third-party beneficiary of this Agreement and certain of its provisions are for the benefit of CMCC and are enforceable by CMCC in its own name. (see §XVII (D))

AMENDMENT #1

This Amendment # 1 ("Amendment"), dated as of December 15, 2015 (the "Amendment Effective Date"), is entered into by and between Scholar Rock, Inc., a Delaware corporation ("Scholar Rock") with a principal place of business at 620 Memorial Drive, Cambridge, MA 02139, and Janssen Biotech, Inc. ("Janssen"), a Pennsylvania corporation with a principal place of business at 800/850 Ridgeview Drive, Horsham, PA 19044 to amend the Agreement (as defined below). Scholar Rock and Janssen together shall be referred to as the "Parties." All capitalized terms used in the Amendment shall have the same meaning as defined in the Agreement.

WHEREAS, the Parties entered into an Option and License Agreement effective as of December 17, 2013 (the "Agreement").

WHEREAS, the Agreement provided for the research and development in accordance with a Program Plan to identify Collaboration Molecules with both an R/A Pharmacological Profile and an S/I Pharmacological Profile, as defined in the Agreement.

WHEREAS, the Collaboration Term of the Agreement for both pharmacological profiles will expire on December 17, 2015, unless terminated earlier in Accordance with the Agreement.

WHEREAS, the Parties would like to extend the Collaboration Term to allow for performance of a revised Program Plan for only the R/A Pharmacological Profile until March 31, 2016 (the "Extended R/A Collaboration Term").

NOW, THEREFORE, in consideration for the foregoing premises and the mutual covenants contained herein, the Parties, intending to be legally bound, agree as follows:

1. The Collaboration Term for only the R/A Pharmacological Profile shall be extended until the earlier of: (i) March 31, 2016, or (ii) such date as JBI has exercised its License Option for Collaboration Molecules with the R/A Pharmacological Profile. All terms in the Agreement applicable to the R/A Pharmacological Profile shall continue to be effective during the Extended R/A Collaboration Term.

2. The revised Program Plan is attached as Exhibit A. Scholar Rock shall conduct the revised Program Plan in Exhibit A during the Extended R/A Collaboration Term in accordance with the procedures and standards described in the Agreement.

3. The cost of the revised Program Plan is attached as Exhibit B. Janssen shall pay up to [***]. Scholar Rock shall provide JBI with an invoice of the prior Universal Quarter's external costs and FTE usage including reasonably detailed itemization which shall be due and payable within sixty (60) days after receipt thereof in accordance with Section 9.1.2.

For clarity, the Extended R/A Collaboration Term does not extend the Collaboration Term for the S/I Pharmacological Profile. The Collaboration Term, the Option Period, and all terms and conditions of the Agreement with respect to the S/I Pharmacological Profile shall continue to expire on December 17, 2015, unless earlier terminated in accordance with the Agreement or extended by a separate extension that is mutually agreed in writing.

Except as described in this Amendment, no other terms or conditions of the Agreement are modified.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment effective as the Amendment Effective Date.

Scholar Rock, Inc.		**Janssen Biotech, Inc.**	
By:	_____	By:	_____
Name:	_____	Name:	_____
Title:	_____	Title:	_____

EXHIBIT A

(Following 2 pages)

[***]

Exhibit B

[***]

[***]	**[***]**
[***]	[***]
[***]	[***]

[***]		[***]
[***]		[***]
	[***]	[***]

[***]

Exhibit 10.14

620 MEMORIAL DRIVE
CAMBRIDGE, MASSACHUSETTS

LEASE SUMMARY SHEET

Execution Date: March 5, 2015

Tenant: Scholar Rock, Inc., a Delaware corporation

Tenant's Mailing Address Prior to Occupancy: 300 Third Street, 4th Floor Cambridge, MA 02142

Landlord: 620 Memorial Leasehold LLC, a Massachusetts limited liability company

Building: 620 Memorial Drive, Cambridge, Massachusetts. The Building consists of approximately 89,443 rentable square feet. The land on which the Building is located (the "**Land**") is more particularly described in Exhibit 2 attached hereto and made a part hereof (the Land, together with the Building, are hereinafter collectively referred to as the "**Property**").

Premises: Approximately 11,833 rentable square feet of space on the second (2nd) floor of the Building, as more particularly shown as hatched, highlighted or outlined on the plan attached hereto as Exhibit 1 and made a part hereof (the "**Lease Plan**").

Term Commencement Date: Subject to Section 3.3(a), the date on which the Premises are delivered to Tenant with Landlord's Work Substantially Complete (hereinafter defined) and otherwise in the condition required by Section 3.1 below. Targeted to occur on or about August 25, 2015.

Rent Commencement Date: Two (2) months after the Term Commencement Date.

Expiration Date: The last day of the fifth (5) Rent Year (hereinafter defined)

Extension Term: Subject to Section 1.2 below, one (1) extension term of three (3) years

Permitted Uses: Subject to Legal Requirements, general office, research, development and laboratory use, and other ancillary uses related to the foregoing (all in proportions consistent with the design of the base Building).

Base Rent:

RENT YEAR(1)	ANNUAL BASE RENT	MONTHLY RENT
1	$ 615,316.00	$ 51,276.33
2	$ 633,775.48	$ 52,814.62
3	$ 652,788.74	$ 54,399.06
4	$ 672,372.41	$ 56,031.03
5	$ 692,543.58	$ 57,711.96

Operating Costs and Taxes: See Sections 5.2 and 5.3

Tenant's Share: A fraction, the numerator of which is the number of rentable square feet in the Premises and the denominator of which is the number of rentable square feet in the Building. As of the Execution Date, Tenant's Share is 13.23%.

Tenant's Tax Share: A fraction, the numerator of which is the number of rentable square feet in the Premises and the denominator of which is the number of rentable square feet in the Building recognized by the City of Cambridge as being used for purposes which are not exempt from real estate taxation as of the date on which the assessment is made for the tax year in question. As of the Execution Date, Tenant's Tax Share is 13.23%.

Security Deposit/ Letter of Credit: Subject to Section 7.1, $205,105.32

Landlord's Contribution: Subject to Section 3.4, Six Hundred Fifty Thousand Eight Hundred Fifteen Dollars ($650,815.00)

EXHIBIT 1 LEASE PLAN
EXHIBIT 2 LEGAL DESCRIPTION
EXHIBIT 3 LANDLORD'S WORK

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(1) For the purposes of this Lease, the first "**Rent Year**" shall be defined as the period commencing as of the Rent Commencement Date and ending on the last day of the twelfth full month after the Rent Commencement Date occurs; provided, however, if the Rent Commencement Date occurs on the first day of a

calendar month, then the first "Rent Year" shall end on the day immediately preceding the first anniversary of the Rent Commencement Date. Thereafter, "Rent Year" shall be defined as any subsequent twelve (12) month period during the Term of this Lease.

EXHIBIT 4 FORM OF LETTER OF CREDIT
EXHIBIT 5 ALTERATIONS CHECKLIST
EXHIBIT 6 TENANT'S HAZARDOUS MATERIALS
EXHIBIT 7 RULES AND REGULATIONS
EXHIBIT 8 LANDLORD'S SERVICES
EXHIBIT 9 FORM OF RNDA

TABLE OF CONTENTS

THIS INDENTURE OF LEASE (this "**Lease**") is hereby made and entered into on the Execution Date by and between Landlord and Tenant.

This Lease and all of its terms, covenants, representations, warranties, agreements and conditions are in all respects subject and subordinate to that certain Master Lease Agreement dated as of May 15, 2014 by and between MIT 620 Memorial LLC ("**Fee Owner**"), as landlord, and Landlord, as tenant (as it may be amended from time to time, the "**Ground Lease**"), a redacted copy of which has been delivered to Tenant. Tenant acknowledges notice and full knowledge of all of the terms, covenants and conditions of the Ground Lease.

Each reference in this Lease to any of the terms and titles contained in any Exhibit attached to this Lease shall be deemed and construed to incorporate the data stated under that term or title in such Exhibit. All capitalized terms not otherwise defined herein shall have the meanings ascribed to them as set forth in the Lease Summary Sheet which is attached hereto and incorporated herein by reference.

1. LEASE GRANT; TERM; APPURTENANT RIGHTS; EXCLUSIONS.

1.1 Lease Grant. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises upon and subject to terms and conditions of this Lease, for a term of years commencing on the Term Commencement Date and, unless earlier terminated pursuant to the terms hereof, ending on the Expiration Date (the "**Initial Term**": the Initial Term and any duly exercised Extension Terms are hereinafter collectively referred to as the "**Term**").

1.2 Extension Term.

(a) Provided (i) Tenant, an Affiliated Entity (hereinafter defined) and/or a Successor (hereinafter defined) is/are then occupying at least seventy-five percent (75%) of the Premises on the date of the Extension Notice (hereinafter defined); and (ii) there is no Event of Default (1) as of the date of the Extension Notice (hereinafter defined), and (2) at the commencement of the Extension Term (hereinafter defined), Tenant shall have the option to extend the Term for one (1) additional term of three (3) years (the "**Extension Term**"), commencing as of the expiration of the Initial Term. Tenant must exercise such option to extend by giving Landlord written notice (the "**Extension Notice**") on or before the date that is nine (9) months prior to the expiration of the then-current term of this Lease, *time being of the essence*. Notwithstanding the foregoing, Landlord may nullify Tenant's exercise of its option to extend the Term by written notice to Tenant (the "**Nullification Notice**") if (A) on the date Landlord receives the applicable Extension Notice, an event then exists which, with the passage of time and/or the giving of notice, would constitute an Event of Default hereunder and (B) Tenant fails to cure the default described in the Nullification Notice within the applicable cure period set forth in Section 20.1 after receipt of the Nullification Notice (Landlord hereby agreeing to acknowledge in writing if Tenant does cure such default within such applicable cure period, in which event the Nullification Notice will be of no force and effect). Upon the timely giving of the Extension Notice, the Term shall be deemed extended upon all of the terms and conditions of this Lease, except that Base Rent during the Extension Term shall be calculated in accordance with this Section 1.2, Landlord shall have no obligation to construct or renovate the Premises and Tenant shall have no further right to extend the Term. If Tenant fails to timely

give the Extension Notice, as aforesaid, Tenant shall have no further right to extend the Term. Notwithstanding the fact that Tenant's proper and timely exercise of such option to extend the Term shall be self executing, the parties shall promptly execute a lease amendment reflecting such Extension Term after Tenant exercises such option. The execution of such lease amendment shall not be deemed to waive any of the conditions to Tenant's exercise of its rights under this Section 1.2.

(b) The Base Rent during the Extension Term (the "**Extension Term Base Rent**") shall be determined in accordance with the process described hereafter. Extension Term Base Rent shall be the greater of (i) Base Rent for the last Rent Year of the prior term, or (ii) the fair market rental value of the Premises then demised to Tenant as of the commencement of the Extension Term as determined in accordance with the process described below, for renewals of first-class combination laboratory and office space in the East Cambridge/Cambridgeport area of equivalent quality, size, utility and location, with the length of the Extension Term and the credit standing of Tenant to be taken into account. Within thirty (30) days after receipt of the Extension Notice, Landlord shall deliver to Tenant written notice of its determination of the Extension Term Base Rent for the Extension Term. Tenant shall, within thirty (30) days after receipt of such notice, notify Landlord in writing whether Tenant accepts or rejects Landlord's determination of the Extension Term Base Rent ("**Tenant's Response Notice**"). If Tenant fails timely to deliver Tenant's Response Notice, Landlord's determination of the Extension Term Base Rent shall be binding on Tenant.

(c) If and only if Tenant's Response Notice is timely delivered to Landlord and indicates both that Tenant rejects Landlord's determination of the Extension Term Base Rent and desires to submit the matter to arbitration, then the Extension Term Base Rent shall be determined in accordance with the procedure set forth in this Section 1.2(c). In such event, within ten (10) days after receipt by Landlord of Tenant's Response Notice indicating Tenant's desire to submit the determination of the Extension Term Base Rent to arbitration, Tenant and Landlord shall each notify the other, in writing, of their respective selections of an appraiser (respectively, "**Landlord's Appraiser**" and "**Tenant's Appraiser**"). Landlord's Appraiser and Tenant's Appraiser shall then jointly select a third appraiser (the "**Third Appraiser**") within ten (10) days of their appointment. All of the appraisers selected shall be individuals with at least five (5) consecutive years' commercial appraisal experience in the area in which the Premises are located, shall be members of the Appraisal Institute (M.A.I.), and, in the case of the Third Appraiser, shall not have acted in any capacity for either Landlord or Tenant within five (5) years of his or her selection. The three appraisers shall determine the Extension Term Base Rent in accordance with the requirements and criteria set forth in Section 1.2(b) above, employing the method commonly known as *Baseball Arbitration*, whereby Landlord's Appraiser and Tenant's Appraiser each sets forth its determination of the Extension Term Base Rent as defined above, and the Third Appraiser must select one or the other (it being understood that the Third Appraiser shall be expressly prohibited from selecting a compromise figure). Landlord's Appraiser and Tenant's Appraiser shall deliver their determinations of the Extension Term Base Rent to the Third Appraiser within five (5) days of the appointment of the Third Appraiser and the Third Appraiser shall render his or her decision within ten (10) days after receipt of both of the other two determinations of the Extension Term Base Rent. The Third Appraiser's decision shall be binding on both Landlord and Tenant. Each party shall bear the cost of its own appraiser and shall share equally in the cost of the Third Appraiser.

1.3 Notice of Lease. Neither party shall record this Lease, but each of the parties hereto agrees to join in the execution, in recordable form, of a statutory notice of lease and/or written declaration in which shall be stated the Term Commencement Date, the number and length of the Extension Terms and the Expiration Date, which notice of lease may be recorded by Tenant with the Middlesex South Registry of Deeds and/or filed with the Registry District of the Land Court, as appropriate (collectively, the "**Registry**") at Tenant's sole cost and expense. If a notice of lease was previously recorded with the Registry, upon the expiration or earlier termination of this Lease, Landlord shall deliver to Tenant a notice of termination of lease and Tenant shall, within thirty (30) days of receipt thereof, execute and deliver the same to Landlord for Landlord's execution and recordation with the Registry.

1.4 Appurtenant Rights.

(a) Common Areas. Subject to the terms of this Lease and the Rules and Regulations (hereinafter defined), Tenant shall have, as appurtenant to the Premises, rights to use in common with others entitled thereto, the areas designated from time to time for the common use of Tenant and other tenants of the Property (such areas are hereinafter referred to as the "**Common Areas**"). As of the Execution Date, the Common Areas include: (i) the common lobbies, elevators (passenger and freight), loading docks, hallways and stairways of the Building serving the Premises, (ii) common walkways

necessary for access to the Building and on-site areas for bicycle parking, (iii) if the Premises include less than the entire rentable area of any floor, the common toilets and other common facilities of such floor; (iv) common shower facilities in the Building; (v) common conference room, gathering areas and kitchenette in the Building; and (vi) other areas designated by Landlord from time to time for the common use of Tenant and other tenants of the Building; and no other appurtenant rights or easements. Landlord shall not change the Common Areas in a way as to materially alter or materially diminish the aggregate quality or utility thereof.

(b) Parking. During the Term, commencing on the Term Commencement Date, Landlord shall, subject to the terms hereof, make available twelve (12) parking spaces for Tenant's use in the parking areas serving the Building (which are, subject to the last sentence of this Section 1.4(b), located in the surface lot in front of the Building). The number of parking spaces in the parking areas reserved for Tenant, as modified pursuant to this Lease or as otherwise permitted by Landlord, are hereinafter referred to as the "**Parking Spaces**." Tenant shall have no right to hypothecate or encumber the Parking Spaces, and shall not sublet, assign, or otherwise transfer the Parking Spaces other than to employees of Tenant occupying the Premises or to a Successor (hereinafter defined), an Affiliated Entity (hereinafter defined) or a transferee pursuant to an approved Transfer under Section 13 of this Lease. Throughout the Term, Tenant shall pay Landlord (or at Landlord's direction, directly to the parking operator(2)) for all of the Parking Spaces at the then-current prevailing rate, as such rate may vary from time to time; provided, however, that such rates shall be commercially reasonable (as reasonably determined with reference to the market rate for comparable parking spaces in the vicinity of the Premises). As of the Execution Date, the monthly charge for parking is Two Hundred Dollars ($200) per Parking Space per month. If, for any reason, Tenant shall fail timely to pay the charge for any of said Parking Spaces, and if such default continues for ten (10) days after

(2) e.g., in the event that the Landlord has leased or subleased the parking areas to a third party

Tenant's receipt of written notice thereof, Tenant shall have no further right to the Parking Spaces for which Tenant failed to pay the charge under this Section 1.4(b) and Landlord may allocate such Parking Spaces for use by other tenants of the Property free and clear of Tenant's rights under this Section 1.4(b). Said Parking Spaces will be on an unassigned, non-reserved basis, and shall be subject to such reasonable rules and regulations as may be in effect for the use of the parking areas from time to time (including, without limitation, Landlord's right, without additional charge to Tenant above the prevailing rate for Parking Spaces, to institute a valet or attendant-managed parking system), it being understood and agreed that such rules and regulations shall not materially and adversely impact Tenant's parking rights hereunder. Reserved and handicap parking spaces must be honored. Notwithstanding anything to the contrary contained herein, in connection with the exercise of Landlord's rights pursuant to Section 2.2 below, Landlord shall have the right to relocate the Parking Spaces from time to time to other property owned or controlled by Landlord or its affiliates, so long as such other property is within 1,000 feet of the Land. Landlord represents and warrants to Tenant that the Parking Lease (as defined in the Ground Lease) is in full force and effect as of the Execution Date.

(c) During the Term, Landlord grants to Tenant a non-exclusive license to use a portion (specified by Landlord) of the Building risers and other Building communications pathways designated by Landlord ("**Communications Pathways**") for the installation, maintenance, operation, replacement and/or removal at Tenant's sole expense of certain cables, conduits, innerducts and connecting hardware approved by Landlord (any such cables, conduits, innerducts and connecting hardware installed within the Communications Pathways, as the same may be modified, altered or replaced during the Term, are collectively referred to herein as the "**Connecting Cables**"). Any such installation must be performed in accordance with the terms of Section 11 below. Landlord shall provide Tenant with reasonable access to the tel/data room on the first floor of the Building upon Tenant's request therefor. With respect to each cable placed in the Communications Pathways from and after the Execution Date, Tenant shall label such cable (at the floor of the Building where the cable originates and the floor where such cable terminates and at each access point in between at which such cable is pulled) with identification information as required by Landlord. Landlord makes no warranties or representations to Tenant as to the suitability of the Communications Pathways for the installation and operation of the Connecting Cables and Tenant hereby accepts the same in their as is, where is condition with all faults on the date hereof. In the event that at any time during the Term, Landlord determines, in its sole but bona fide business judgment, that the operation and/or periodic testing of the Connecting Cables interferes with the operation of the Building or the business operations of any of the occupants of the Building, then Tenant shall, upon notice from Landlord, upon the expiration of a 24-hour period during which Tenant may attempt to correct any such interference, cease all further operation of the Connecting Cables other than testing reasonably necessary to remedy such interference, which testing shall occur after normal business hours. Landlord may, in its sole and absolute discretion, require Tenant, at Landlord's sole expense, to relocate within, on or in the Building any or all of the Connecting Cables in accordance with plans reasonably approved by Landlord within thirty (30) days of such request (or sooner in the event of an emergency). Tenant is expressly forbidden to serve other tenants or occupants of the Building, to serve any locations outside the Building, or to resell any communications services without the prior written consent of Landlord, which consent may be granted in Landlord's sole discretion. Upon the expiration or earlier termination of this license, Tenant shall remove the Connecting Cables from the Communications Pathways and restore the Building to its condition immediately

prior to the installation thereof, which obligations shall survive the expiration or earlier termination of this Lease. Landlord may, upon written notice (which notice shall not be required in the event of an emergency), suspend this license and/or relocate the Connecting Cables in the event of any repair or construction affecting the Communications Pathways, provided, however, after the completion of such repair and/or construction, this license shall be reinstated with such reasonable modifications as Landlord may require to ensure consistency with the new use of the Communications Pathways.

1.5 Tenant's Access.

(a) From and after the Term Commencement Date and until the end of the Term, Tenant shall have access to the Premises twenty-four (24) hours a day, seven (7) days a week, subject to Legal Requirements, the Rules and Regulations, the terms of this Lease, Landlord's Force Majeure (hereinafter defined) and matters of record of which Landlord has provided Tenant with written notice.

(b) Tenant shall have the right to access the Premises (at Tenant's sole risk, except to the extent arising as a result of the negligence or willful misconduct of any of the Landlord Parties) prior to the Term Commencement Date for purposes reasonably related to the performance of Alterations (hereinafter defined) performed in accordance with Section 11 hereof, provided such access does not materially interfere with the preparation for or performance of Landlord's Work (hereinafter defined). Tenant shall, prior to the first entry to the Premises pursuant to this Section 1.5(b), provide Landlord

with certificates of insurance evidencing that the insurance required by Section 14 hereof is in full force and effect and covering any person or entity entering the Building. Tenant shall defend, indemnify and hold the Landlord Parties (hereinafter defined) harmless from and against any and all Claims (hereinafter defined) for injury to persons or property resulting from or relating to Tenant's access to the Premises prior to the Term Commencement Date as provided under this Section 1.5(b) except to the extent arising as a result of the negligence or willful misconduct of any of the Landlord Parties. Tenant shall coordinate any access to the Premises prior to the Term Commencement Date with Landlord's property manager.

1.6 Exclusions. The following are expressly excluded from the Premises and reserved to Landlord: all the perimeter walls of the Premises (except the inner surfaces thereof), the Common Areas, and any space in or adjacent to the Premises used for shafts, stacks, pipes, conduits, wires and appurtenant fixtures, fan rooms, ducts, electric or other utilities, sinks or other Building facilities, and the use of all of the foregoing, except as expressly permitted pursuant to Sections 1.4(a) and 1.4(c) above.

2. RIGHTS RESERVED TO LANDLORD.

2.1 Additions and Alterations. Landlord reserves the right, at any time and from time to time, to make such changes, alterations, additions, improvements, repairs or replacements in or to the Property (including the Premises but, with respect to the Premises, only for purposes of repairs, maintenance, replacements and other rights expressly reserved to Landlord herein) and the fixtures and equipment paid for in whole or in part by Landlord therein, as well as in or to the street entrances and/or the Common Areas, as it may deem necessary or desirable,

provided, however, that there is no material increase in Tenant's obligations under this Lease nor any obstruction of access to, or material interference with the use and enjoyment of, the Premises by Tenant. Subject to the foregoing, Landlord expressly reserves the right to temporarily close all, or any portion, of the Common Areas for the purpose of making repairs or changes thereto.

2.2 Additions to the Property. Landlord may at any time or from time to time construct additional improvements in all or any part of the Property, including, without limitation, adding additional buildings or changing the location or arrangement of any improvement in or on the Property or all or any part of the Common Areas, or add or deduct any land to or from the Property; provided that there shall be no material increase in Tenant's obligations under this Lease nor any obstruction of access to, or material interference with the use and enjoyment of, the Premises by Tenant in connection with the exercise of the foregoing reserved rights.

2.3 Name and Address of Building. Landlord reserves the right at any time and from time to time to change the name or address of the Building and/or the Property, provided Landlord gives Tenant at least three (3) months' prior written notice thereof.

2.4 Landlord's Access. Subject to the terms hereof, Tenant shall upon as much advance notice as is practical under the circumstances, and in any event at least forty-eight (48) hours' prior written notice (except that no notice shall be required in emergency situations), (a) permit Landlord and any holder of a Mortgage (hereinafter defined) (each such holder, a "**Mortgagee**"), and their agents, employees and contractors, to access and enter upon the Premises at all reasonable hours for the purposes of inspection, making repairs, replacements or improvements in or to the Premises or the Building or equipment therein (including, without limitation, sanitary, electrical, heating, air conditioning or other systems), complying with all applicable laws, ordinances, rules, regulations, statutes, by-laws, court decisions and orders and requirements of all public authorities (collectively, "**Legal Requirements**"), or exercising any right reserved to Landlord under this Lease (including, without limitation, during the performance of repairs and maintenance, the right to take upon or through, or to temporarily (and only for the period during which Landlord diligently performs such maintenance and/or repair) keep and store within the Premises (in a portion of the Premises designated by Tenant not to exceed 250 square feet) all necessary materials, tools and equipment at the sole risk and hazard of Landlord); (b) permit Landlord and its agents and employees, at reasonable times, to show the Premises during normal business hours (i.e. Monday - Friday 8 A.M. - 6 P.M., excluding holidays and weekends) to any prospective Mortgagee or purchaser of the Building and/or the Property or of the interest of Landlord therein, and, during the last nine (9) months of the Term, prospective tenants; (c) permit Landlord and its agents, at Landlord's sole cost and expense, to perform environmental audits, environmental site investigations and environmental site assessments ("**Site Assessments**") in, on, under and at the Premises and the Land, it being understood that Landlord shall repair any damage arising as a result of the Site Assessments, and such Site Assessments may include both above and below the ground testing and such other tests as may be necessary or appropriate to conduct the Site Assessments; and (d) in case any excavation shall be made for building or improvements or for any other purpose upon the land adjacent to or near the Premises, permit Landlord, and/or the person or persons, firms or corporations causing or making such excavation to enter upon the Premises for the purpose of doing such work as Landlord or such person or persons, firms or corporation shall deem to be

necessary to preserve the walls or structures of the Building from injury, and to protect the Building **by** proper securing of foundations. The parties agree and acknowledge that, despite reasonable and customary precautions (which Landlord agrees it shall exercise), any property or equipment in the Premises of a delicate, fragile or vulnerable nature may nevertheless be damaged in the course of the aforementioned actions being performed. Accordingly, Tenant shall take reasonable protective precautions with unusually fragile, vulnerable or sensitive property and equipment. Except to the extent arising as a result of the negligence or willful misconduct of the Tenant Parties, Landlord shall, subject to Section 14.5 below, defend, indemnify and hold Tenant harmless from and against any and all Claims resulting from or relating to access to the Premises as provided under this Section 2.4.

2.5 Pipes, Ducts and Conduits. Tenant shall permit Landlord to erect, use, maintain and relocate pipes, ducts and conduits in and through the Premises, provided the same do not materially (a) reduce the floor area, (b) adversely affect the appearance thereof, (c) increase Tenant's obligations under this Lease, or (d) obstruct access to the Premises.

2.6 Minimize Interference. Subject to the provisions of this Lease, Tenant agrees to cooperate with Landlord, at no cost to Tenant, as reasonably necessary in connection with the exercise of Landlord's rights under this Section 2. Tenant further agrees that dust, noise, vibration, temporary closures of Common Areas, or other inconvenience or annoyance resulting from the exercise of Landlord's rights under Section 2.1 and 2.2 shall not be deemed to be a breach of Landlord's obligations under the Lease, so long as Landlord shall, except in the event of an emergency, use reasonable efforts, consistent with accepted construction practice when applicable, to avoid unreasonably interfering with the conduct of Tenant's business and Tenant's use and occupancy of the Premises, all in a manner consistent with similar, operating first class office and laboratory buildings in the East Cambridge/Cambridgeport

area. Notwithstanding the foregoing, in no event shall any of the space leased by Tenant at the Property under this Lease be deprived of safe and reasonable access or rendered untenantable for the Permitted Uses by reason of Landlord's exercise of its rights under this Section 2.

3. CONDITION OF PREMISES; CONSTRUCTION.

3.1 Condition of Premises. On the Term Commencement Date, the Premises shall be broom-clean, the Premises and the Common Areas shall comply with Legal Requirements (including without limitation the Americans with Disabilities Act) and the Building structure and the Building systems serving the Premises and Common Areas shall be in good working order, condition and repair. Subject to the foregoing, and subject further to Landlord's obligation to perform Landlord's Work (hereinafter defined) in accordance with this Section 3, Tenant acknowledges and agrees that Tenant is leasing the Premises in their "**AS IS**," "**WHERE IS**" condition and with all faults on the Execution Date, without representations or warranties, express or implied, in fact or **by** law, of any kind, and without recourse to Landlord.

3.2 Landlord's Work.

(a) Subject to delays due to governmental regulation, unusual scarcity of or inability to obtain labor or materials, labor difficulties, casualty or other causes reasonably beyond Landlord's control (collectively "**Landlord's Force Majeure**") and subject to any act or

omission by Tenant and/or Tenant's agents, servants, employees, consultants, contractors, subcontractors, licensees and/or subtenants (collectively with Tenant, the "**Tenant Parties**") which causes an actual delay in the performance of Landlord's Work (a "**Tenant Delay**"). Landlord, at Landlord's sole cost and expense, shall diligently prosecute to completion, the work ("**Landlord's Work**") more particularly shown in the permit set prepared by Landlord's architect, which permit set shall be based on the schematic plans attached hereto as Exhibit 3 and made a part hereof (the "**Schematics**") and which permit set shall take into account Tenant's input at weekly design meetings (as such permit set may be amended or modified pursuant to Section 3.2(b) below, the "**Permit Set**"). Landlord shall use diligent efforts to provide a copy of the Permit Set to Tenant on or before March 6, 2015 so long as Tenant provides all required information regarding Tenant's lab equipment (size, layout, utility requirements, etc.) on or before February 20,2015. Landlord shall perform Landlord's Work in a good and workmanlike manner, and shall notify Tenant in writing in reasonable detail promptly after becoming aware of any Tenant Delay.

(b) Tenant shall have the right, in accordance herewith, to submit for Landlord's approval (which approval shall not be unreasonably withheld) change proposals to amend or modify the Permit Set (each, a "**Change Proposal**"). Landlord agrees to respond to any such Change Proposal within five (5) business days after the submission thereof by Tenant (unless Landlord has previously advised Tenant that a longer time period for such response is reasonably necessary due to the nature and scope of the Change Proposal, together with Landlord's good faith estimate as to the amount of additional time that will be necessary, or the fact that the information provided by Tenant in the Change Proposal is insufficient for the purposes of enabling Landlord to make the determination set forth herein), and if approved by Landlord, advising Tenant of any anticipated increase or decrease in costs associated with such Change Proposal ("**Anticipated Costs**"), as well as an estimate of any delay or time savings which would likely result in the completion of Landlord's Work if a Change Proposal is made pursuant thereto ("**Landlord's Change Order Response**"). If Landlord does not approve any Change Proposal, Landlord shall provide Tenant with a reasonably detailed explanation thereof in writing. Tenant shall have the right to then approve or withdraw such Change Proposal within five (5) business days after receipt of Landlord's Change Order Response. If Tenant fails to respond to Landlord's Change Order Response within such five (5) business day period, such Change Proposal shall be deemed withdrawn. If Tenant approves Landlord's Change Order Response, then (a) such Change Proposal shall be deemed a "Change Order" hereunder, and (b) Landlord shall perform the work described in the Change Order as part of Landlord's Work on all the terms and conditions applicable to Landlord's Work except as expressly set forth herein with respect to Tenant's payment obligation. Any actual delay in the substantial completion of Landlord's Work resulting from Change Proposals (whether approved or not) shall constitute a Tenant Delay.

(c) Permitting. Landlord shall obtain all permits for construction of Landlord's Work. The cost of all permits for construction of Landlord's Work (and the cost of obtaining the same) shall be included in the Work Costs. Tenant shall cooperate with Landlord in executing permit applications and performing other ministerial acts reasonably necessary to enable Landlord to obtain any such permit or certificate of occupancy.

(d) Remedies for Late Delivery. Subject to Landlord's Force Majeure and Tenant Delays, if the Term Commencement Date has not occurred on or before (i) September 25, 2015, then the Rent Commencement Date shall be delayed one day for each day after such date that the Term Commencement Date does not occur(3), and (ii) November 25,2015, then Tenant shall be entitled to terminate this Lease by thirty (30) days' prior written notice to Landlord (provided that such termination notice shall be of no force and effect if the Term Commencement Date occurs within such 30 day period). The remedies set forth in this Section 3.2(d) are Tenant's sole and exclusive rights and remedies if the Term Commencement Date does not occur on or before August 25,2015.

3.3 Substantial Completion; Punchlist Items.

(a) Landlord's Work shall be deemed "**Substantially Complete**" on the later to occur of (i) the date that Landlord's Work has been completed as certified in writing by Landlord's architect, except for Punchlist Items (hereinafter defined), and (ii) a certificate of occupancy (temporary or permanent) for the Premises shall have been issued by the City of Cambridge, Massachusetts; provided, however, to the extent Landlord is delayed in obtaining such certificate of occupancy because of the acts or omissions of Tenant (which omissions may include, without limitation, if Tenant must first install its furniture and/or perform any Alterations not included in Landlord's Work), then for purposes only of calculating the Term Commencement Date, Landlord's Work will be deemed to have been Substantially Complete on the date on which the applicable certificate of occupancy (temporary or permanent) would have been issued but for such delays; and provided further that if a temporary certificate of occupancy is issued with respect to the Premises, Landlord shall, subject to delays caused by the acts or omissions of Tenant, diligently pursue a permanent certificate of occupancy therefor as soon as reasonably possible.

(b) Promptly following delivery of the Premises to Tenant with Landlord's Work substantially complete, Landlord shall provide Tenant with a list prepared by Landlord's architect (the "**Punchlist**") of outstanding items (the **"Punchlist Items**") which (a) need to be performed to

complete Landlord's Work, (b) do not impair Landlord's ability to obtain a permanent certificate of occupancy for the Premises and (c) do not materially impair Tenant's ability to use the Premises for the Permitted Uses. Subject to Landlord's Force Majeure and Tenant Delays, Landlord shall, unless otherwise specified on the Punchlist, complete all Punchlist Items within forty-five (45) days of the date of the Punchlist.

3.4 Cost of Landlord's Work.

(a) Landlord's Contribution. As an inducement to Tenant's entering into this Lease, Landlord shall pay for up to Six Hundred Fifty Thousand Eight Hundred Fifteen Dollars ($650,815.00) ("**Landlord's Contribution**") of the costs incurred in connection with the performance of Landlord's Work other than the following costs (collectively, "**Excluded Construction Costs**"), which shall be paid for by Tenant within thirty (30) days of demand from

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(3) For illustration purposes only, if the Term Commencement Date occurs on September 30,2015, then the Rent Commencement Date shall be delayed 5 days and shall occur on December 5,2015 (which is 2 months and 5 days after the Term Commencement Date)

time to time (but in no event more often than monthly): (i) the cost of acquiring or installing any of Tenant's Property (hereinafter defined), including without limitation telecommunications and computer equipment and all associated wiring and cabling, any de-mountable decorations, artwork and partitions, signs, and trade fixtures, or (ii) the cost of any fixtures or Alterations that will be removed at the end of the Term. Landlord shall not charge any supervisory or management fees with respect to Landlord's Work, provided, however, that the costs of any third party construction/project managers) engaged by Landlord shall be included in the costs of Landlord's Work.

(b) Responsibility for Costs.

(i) For purposes hereof, "**Work Costs**" means (A) all costs incurred in connection with Landlord's Work, including without limitation the costs of designing, permitting and performing Landlord's Work, as affected by any Change Orders and any changes made in accordance with Section 3.4(b)(ii) below, less (B) the Excluded Construction Costs.

(ii) Landlord shall provide Tenant with a detailed cost estimate based on the original Permit Set (the "**Cost Estimate**"). The Cost Estimate shall include a line item for the cost of any construction/project managers). Tenant shall have a period of two (2) business days after receipt of the Cost Estimate, *time being of the essence*, to notify Landlord whether Tenant approves such Cost Estimate, or that Tenant wishes to conduct value engineering in order to reduce the cost of Landlord's Work (if Tenant does not timely provide such notice, Tenant shall be deemed to have (A) approved such Cost Estimate, and (B) elected not to conduct such value engineering). If Tenant elects to conduct value engineering, then (i) any delays to substantial completion of Landlord's Work arising from such value engineering shall be deemed to be Tenant Delays, and (ii) until mutually approved (or deemed approved), Landlord and Tenant shall confer and negotiate reasonably and in good faith to reach agreement on the Cost Estimate and the Permit Set on which the Cost Estimate is based. The Cost Estimate approved (or deemed approved) by Tenant is herein referred to as the "**Final Cost Estimate**."

(iii) If the Final Cost Estimate discloses that the Work Costs exceed Landlord's Contribution (such excess, the "**Excess Costs**"), Tenant shall notify Landlord in writing (the "**Cost Notice**") within thirty (30) days after approval of the Final Cost Estimate whether Tenant elects to (A) reimburse Landlord for the Excess Costs in accordance with Section 3.4(b)(iv) below, or (B) increase Base Rent by an amount no greater than the lesser of (1) the Excess Costs, or (2) Fifteen Dollars ($15) per rentable square foot of the Premises, which increase in Base Rent shall be (y) effective as of the later to occur of the Rent Commencement Date or the first full calendar month after the Final Reconciliation is delivered to Tenant, and (z) calculated as if such Excess Costs were a self-amortizing loan with an interest rate of 8% per annum and amortized on a direct reduction basis over the balance of the Initial Term (and if Tenant fails to notify Landlord as aforesaid, then Tenant shall be deemed to have elected to increase Base Rent as aforesaid). If the Work Costs exceed Landlord's Contribution by more than Fifteen Dollars ($15) per rentable square foot of the Premises (such excess, the "**Tenant's Costs**") and Tenant elects (or is deemed to have elected) to increase Base Rent as aforesaid, then Tenant shall reimburse Landlord for Tenant's Costs in accordance with Section 3.4(b)(iv) below.

(iv) If the Cost Notice indicates that Tenant has elected to reimburse Landlord for the Excess Costs, or if Tenant elects (or is deemed to have elected) to increase Base Rent pursuant to Section 3.4(b)(iii) above and there are Tenant's Costs, then Tenant shall pay, within thirty (30) days after demand from time to time (but in no event more than monthly), Tenant's Proportion (hereinafter defined) of the Work Costs reflected on each requisition from Landlord, to which shall be attached invoices and/or other documentation supporting the requisition. "**Tenant's Proportion**" shall be a fraction, the numerator of which is the estimated Excess Costs or Tenant's Costs, as applicable, and the denominator of which is the estimated Work Costs. Within ninety (90) days after final completion of Landlord's Work, Landlord shall prepare and submit to Tenant a final reconciliation in sufficient detail to reasonably determine actual Work Costs (including without limitation all Punchlist Items) (the "**Final Reconciliation**").

4. USE OF PREMISES.

4.1 Permitted Uses. During the Term, Tenant shall use the Premises only for the Permitted Uses and for no other purposes. Service and utility areas (whether or not a part of the Premises) shall be used only for the particular purpose for which they are designed. All corridor doors, when not in use, shall be kept closed.

4.2 Prohibited Uses.

(a) Notwithstanding any other provision of this Lease, Tenant shall not use the Premises or the Building, or any part thereof, or suffer or permit the use or occupancy of the Premises or the Building or any part thereof by any of the Tenant Parties (i) in a manner which would violate any of the covenants, agreements, terms, provisions and conditions of this Lease; (ii) for any unlawful purposes or in any unlawful manner; (iii) which, in the reasonable judgment of Landlord (taking into account the use of the Building as a first class combination laboratory, research and development and office building and the Permitted Uses) shall (a) impair the appearance or reputation of the Building; (b) impair, interfere with or otherwise diminish the quality of any of the Building services or the proper and economic heating, cleaning, ventilating, air conditioning or other servicing of the Building or Premises, or the use or

occupancy of any of the Common Areas; (c) occasion discomfort, inconvenience or annoyance in any material respect (and Tenant shall not install or use any electrical or other equipment of any kind which, in the reasonable judgment of Landlord, will cause any such impairment, interference, discomfort, inconvenience, annoyance or injury), or cause any injury or damage to any occupants of the Premises or other tenants or occupants of the Building or their property; or (d) cause harmful air emissions, laboratory odors or noises or any unusual or other objectionable odors, noises or emissions to emanate from the Premises; (iv) in a manner which is inconsistent with the operation and/or maintenance of the Building as a first-class combination office, research, development and laboratory facility; or (v) for any food fermentation processes whatsoever; (vi) in a manner which shall increase such insurance rates on the Building or on property located therein over that applicable when Tenant first took occupancy of the Premises hereunder.

(b) With respect to the use and occupancy of the Premises and the Common Areas, Tenant will not: (i) place or maintain any signage, trash, refuse or other articles in any vestibule or entry of the Premises, on the footwalks or corridors adjacent thereto or elsewhere on

the exterior of the Premises, nor obstruct any driveway, corridor, footwalk, parking area, mall or any other Common Areas; (ii) permit undue accumulations of or burn garbage, trash, rubbish or other refuse within or without the Premises; (iii) permit the parking of vehicles so as to interfere with the use of any driveway, corridor, footwalk, parking area, or other Common Areas; (iv) receive or ship articles of any kind outside of those areas reasonably designated by Landlord (which shall include, at a minimum, the common loading docks and freight elevator); (v) conduct or permit to be conducted any auction, going out of business sale, bankruptcy sale (unless directed by court order), or other similar type sale in or connected with the Premises; (vi) use the name of Landlord, or any of Landlord's affiliates or subsidiaries in any publicity, promotion, trailer, press release, advertising, printed, or display materials without Landlord's prior written consent; or (vii) except in connection with Alterations (hereinafter defined) approved by Landlord, cause or permit any hole to be drilled or made in any part of the Building.

5. RENT; ADDITIONAL RENT.

5.1 Base Rent. During the Term, Tenant shall pay to Landlord Base Rent in equal monthly installments, in advance and without demand on the first day of each month for and with respect to such month. The payment of Base Rent and additional rent and other charges reserved and covenanted to be paid under this Lease with respect to the Premises (collectively, "**Rent**") shall commence on the Rent Commencement Date, and shall be prorated for any partial months. Rent shall be payable to Landlord or, if Landlord shall so direct Tenant in writing, to Landlord's agent or nominee, in lawful money of the United States which shall be legal tender for payment of all debts and dues, public and private, at the time of payment.

5.2 Operating Costs.

(a) "**Operating Costs**" shall mean all costs incurred and expenditures of whatever nature made by Landlord in the operation and management of the Building or reasonably allocated to the Building, including without limitation any costs for utilities supplied to the Common Areas, the costs of maintaining the MWRA permit(s) for the Building, and any costs for repair and replacements, cleaning and maintenance of the Common Areas, related equipment, facilities and appurtenances and HVAC equipment, a commercially reasonable management fee paid to Landlord's property manager, the reasonable costs of Landlord's management office for the Property, the cost of operating any amenities in the Property available to all tenants of the Property and any subsidy provided by Landlord to tenants including Tenant for or with respect to any such amenity. For costs and expenditures made by Landlord in connection with the operation, management, repair, replacement, maintenance and insurance of the Building as a whole, Landlord shall make a reasonable allocation thereof between the retail and non-retail portions of the Building, if applicable. To the extent that a cost included in Operating Costs is also allocable to property other than the Property, such cost shall be equitably allocated to each parcel of property which benefits from such cost. Operating Costs shall not include Taxes (hereinafter defined) or Excluded Costs (hereinafter defined). Landlord shall have the right but not the obligation, from time to time, to reasonably and equitably allocate some or all of the Operating Costs among different tenants of the Building (for example, and without limiting the generality of the foregoing, based in whole or in part on shared or similar use of particular systems or equipment).

(b) "**Excluded Costs**" shall be defined as (i) any mortgage charges (including interest, principal, points and fees); (ii) brokerage commissions or other costs incurred in procuring tenants or leasing space in the Property; (iii) salaries of personnel not directly employed in the management/operation of the Property or above the grade of portfolio manager; (iv) the cost of work done or services, concessions, subsidies or amenities provided by Landlord for a particular tenant other than Tenant; (v) subject to Subsection 5.2(h) below, capital expenditures; (vi) the costs of Landlord's Work and any contributions made by Landlord to any tenant of the Property in connection with the build-out of its premises; (vii) franchise or income taxes imposed on Landlord; (viii) items and services for which tenants of the Building are separately charged, including without limitation costs paid directly by individual tenants to Landlord or to suppliers, including tenant electricity, telephone and other utility costs; (ix) increases in premiums for insurance when such increase is caused by the use of the Building by Landlord or any other tenant of the Building; (x) maintenance and repair of capital items not a part of the Building or the Property; (xi) depreciation of the Building; (xii) costs relating to maintaining Landlord's existence as a corporation, partnership or other entity; (xiii) advertising and other fees and costs incurred in procuring tenants; (xiv) the cost of any items for which Landlord is reimbursed by insurance, condemnation awards, refund, rebate or otherwise, and any expenses for repairs or maintenance to the extent covered by warranties, guaranties and service contracts; (xv) costs incurred (including without limitation attorneys' fees and expenses) in connection with any disputes between Landlord and its employees, between Landlord and Building management, between Landlord and other tenants or occupants or prospective tenants or occupants of the Building (including without limitation costs associated with the default, act or omission of any of the foregoing parties other than Tenant) or between Landlord and its abutters; (xvi) rent under the Ground Lease; (xvii) fines and penalties payable by tenants of the property other than Tenant; (xvii) fines and penalties incurred due to violations by Landlord of Legal Requirements or breaches of Landlord's obligations under this Lease; (xviii) costs arising from the gross negligence or willful misconduct of any of the Landlord Parties; (xix) the cost of testing, remediation or removal of Hazardous Materials (hereinafter defined) in the Building or on the Property required by Environmental Laws (hereinafter defined), provided however, that with respect to the testing, remediation or removal of (A) any material or substance located in the Building on the Execution Date and which, as of the Execution Date, is not considered, as a matter of law, to be a Hazardous Material, but which is subsequently determined to be a Hazardous Material as a matter of law, and (B) any material or substance located in the Building after the Execution Date and which, when placed in the Building, was not considered, as a matter of law, to be a Hazardous Material, but which **is** subsequently determined to be a Hazardous Material as a matter of law, the costs thereof may be included in Operating Costs; (xx) costs incurred to comply with Legal Requirements in effect as of the Execution Date; (xxi) Landlord's charitable or political contributions; (xxii) any "above-standard" cleaning including construction clean-up or special cleanings associated with parties or events (provided that Tenant shall reimburse

Landlord for any such above-standard cleaning required as a result of the acts or omissions of any of the Tenant Parties); and (xxiii) costs of compliance with Legal Requirements in effect on the Execution Date.

(c) "**Capital Interest Rate**" shall be defined as an annual rate of either one percentage point over the AA Bond rate (Standard & Poor's corporate composite or, if unavailable, its equivalent) as reported in the financial press at the time the capital expenditure is

made or, if the capital item is acquired through third party financing, then the actual (including fluctuating) rate paid by Landlord in financing the acquisition of such capital item.

(d) "**Annual Charge Off**" shall be defined as the annual amount of principal and interest payments which would be required to repay a loan ("**Capital Loan**") in equal monthly installments over the Useful Life (hereinafter defined), of the capital item in question on a direct reduction basis at an annual interest rate equal to the Capital Interest Rate, where the initial principal balance is the cost of the capital item in question.

(e) "**Useful Life**" shall be reasonably determined by Landlord in accordance with sound accounting principles and practices consistently applied.

(f) Payment of Operating Costs. Tenant shall pay to Landlord, as additional rent, Tenant's Share of Operating Costs. Landlord may make a good faith estimate of Tenant's Share of Operating Costs for any fiscal year or part thereof during the Term, and Tenant shall pay to Landlord, on the Rent Commencement Date and on the first (1st) day of each calendar month thereafter, an amount equal to Tenant's Share of Operating Costs for such fiscal year and/or part thereof divided by the number of months therein. No more often than quarterly, Landlord may estimate and re-estimate Tenant's Share of Operating Costs and deliver a copy of Landlord's good faith estimate or re-estimate to Tenant. Thereafter, the monthly installments of Tenant's Share of Operating Costs shall be appropriately adjusted in accordance with the estimations so that, by the end of the fiscal year in question, Tenant shall have paid all of Tenant's Share of Operating Costs as estimated by Landlord. Any amounts paid based on such an estimate shall be subject to adjustment as herein provided when actual Operating Costs are available for each fiscal year.

(g) Annual Reconciliation. Landlord shall, within one hundred twenty (120) days after the end of each fiscal year, deliver to Tenant a reasonably detailed statement of the actual amount of Operating Costs for such fiscal year ("**Year End Statement**"). Failure of Landlord to provide the Year End Statement within the time prescribed shall not relieve Tenant from its obligations hereunder. If the total of such monthly remittances on account of any fiscal year is greater than Tenant's Share of Operating Costs actually incurred for such fiscal year, then, provided there is no Event of Default nor any event which, with the passage of time and/or the giving of notice would constitute an Event of Default, Tenant may credit the difference against the next installment of additional rent on account of Operating Costs due hereunder, except that if such difference is determined after the end of the Term, Landlord shall refund such difference to Tenant within thirty (30) days after such determination to the extent that such difference exceeds any amounts then due from Tenant to Landlord (it being understood and agreed that (A) if Tenant cures any default prior to the expiration of the notice and/or cure periods set forth in Section 20.1 below, Tenant shall then be entitled to take such credit, and (B) if Tenant does not cure all defaults prior to the expiration of the notice and/or cure periods set forth in Section 20.1 below and Landlord exercises its right to terminate the Lease pursuant to Section 20.1, then Landlord shall credit such difference to Tenant to the extent that such difference exceeds any amounts then due from Tenant to Landlord). If the total of such remittances is less than Tenant's Share of Operating Costs actually incurred for such fiscal year, Tenant shall pay the difference to Landlord, as additional rent hereunder, within thirty (30) days of Tenant's receipt of an invoice therefor. Landlord's estimate of Operating Costs for the next

fiscal year shall be made in good faith and shall be based upon the Operating Costs actually incurred for the prior fiscal year as reflected in the Year-End Statement plus a reasonable adjustment based upon estimated increases in Operating Costs. The provisions of this Section 5.2(g) shall survive the expiration or earlier termination of this Lease.

(h) Capital Expenditures. If, during the Term, Landlord shall replace any capital items or make any capital expenditures (collectively, "**Capital Expenditures**") the total amount of which (net of any warranty claims) is not properly includable in Operating Costs for the fiscal year in which they were made, in accordance with sound accounting principles and practices consistently applied in effect at the time of such replacement, there shall nevertheless be included in such Operating Costs (and in Operating Costs for each succeeding fiscal year) the amount, if any, by which the Annual Charge Off (determined as hereinafter provided) of such Capital Expenditure (less insurance proceeds, if any, collected by Landlord by reason of damage to, or destruction of the capital item being replaced) exceeds the Annual Charge Off of the Capital Expenditure for the item being replaced. If a new capital item is acquired which does not replace another capital item, and such new capital item being acquired is either (i) required by any Legal Requirements enacted after the Execution Date or (ii) reasonably projected to reduce Operating Costs, then there shall be included in Operating Costs for each fiscal year in which and after such capital expenditure is made the Annual Charge Off of such capital expenditure.

(i) Part Years. If the Rent Commencement Date or the Expiration Date occurs in the middle of a fiscal year, Tenant shall be liable for only that portion of the Operating Costs with respect to such fiscal year within the Term.

(j) Gross-Up. If, during any fiscal year, the Building has an average annual tenant occupancy rate of less than ninety-five percent (95%), actual Operating Costs incurred shall be reasonably extrapolated by Landlord on an item-by-item basis to the reasonable Operating Costs that would have been incurred if the Building was 95% occupied, and such extrapolated Operating Costs shall, for all purposes hereof, be deemed to be the Operating Costs for such fiscal year.

(k) Audit Right. Provided there is no Event of Default nor any event which, with the passage of time and/or the giving of notice would constitute an Event of Default, Tenant may, upon at least sixty (60) days' prior written notice, inspect or audit Landlord's records relating to Operating Costs for any periods of time within the previous fiscal year before the audit or inspection (it being understood and agreed that if Tenant cures any default prior to the expiration of the notice and/or cure periods set forth in Section 20.1 below, Tenant shall then be entitled to perform such inspection or audit). However, no audit or inspection shall extend to periods of time before the Rent Commencement Date. If Tenant fails to object to the calculation of Tenant's Share of Operating Costs on the Year-End Statement within sixty (60) days after such statement has been delivered to Tenant and/or fails to complete any such audit or inspection within one hundred twenty (120) days after receipt of the Year End Statement, then Tenant shall be deemed to have waived its right to

object to the calculation of Tenant's Share of Operating Costs for the year in question and the calculation thereof as set forth on such statement shall be final. Tenant's audit or inspection shall be conducted only at Landlord's offices or the offices of Landlord's property manager during business hours reasonably designated by Landlord. Tenant shall pay the cost of such audit or inspection; provided, however, if Tenant's inspection or audit

reveals an overcharge of more than five percent (5%), then Landlord shall reimburse Tenant for up to Five Thousand Dollars ($5,000.00) of the reasonable cost of such audit or inspection within thirty (30) days of receipt of a reasonably detailed invoice therefor. Tenant may not conduct an inspection or have an audit performed more than once during any fiscal year. If such inspection or audit reveals that an error was made in the calculation of Tenant's Share of Operating Costs previously charged to Tenant, then, provided there is no Event of Default nor an event which, with the passage of time and/or the giving of notice would constitute an Event of Default, Tenant may credit the difference against the next installment of additional rent on account of Operating Costs due hereunder, except that if such difference is determined after the end of the Term, Landlord shall refund such difference to Tenant within thirty (30) days after such determination to the extent that such difference exceeds any amounts then due from Tenant to Landlord (it being understood and agreed that (A) if Tenant cures any default prior to the expiration of the notice and/or cure periods set forth in Section 20.1 below, Tenant shall then be entitled to take such credit, and (B) if Tenant does not cure all defaults prior to the expiration of the notice and/or cure periods set forth in Section 20.1 below and Landlord exercises its right to terminate the Lease pursuant to Section 20.1, then Landlord shall credit such difference to Tenant to the extent that such difference exceeds any amounts then due from Tenant to Landlord). If such inspection or audit reveals an underpayment by Tenant, then Tenant shall pay to Landlord, as additional rent hereunder, any underpayment of any such costs, as the case may be, within thirty (30) days after receipt of an invoice therefor. Tenant shall maintain the results of any such audit or inspection confidential and shall not be permitted to use any third party to perform such audit or inspection, other than an independent firm of certified public accountants (A) reasonably acceptable to Landlord, (B) which is not compensated on a contingency fee basis or in any other manner which is dependent upon the results of such audit or inspection, and (C) which executes Landlord's standard confidentiality agreement whereby it shall agree to maintain the results of such audit or inspection confidential. The provisions of this Section 5.2(k) shall survive the expiration or earlier termination of this Lease.

5.3 Taxes.

(a) "**Taxes**" shall mean the real estate taxes and other taxes, levies and assessments imposed upon the Building, and upon any personal property of Landlord used in the operation of the Building, or on Landlord's interest in the Building or such personal property or reasonably allocated thereto; charges, fees and assessments for transit, housing, police, fire or other services or purported benefits to the Building (including without limitation any community preservation assessments); service or user payments in lieu of taxes; and any and all other taxes, levies, betterments, assessments and charges arising from the ownership, leasing, operation, use or occupancy of the Building or based upon rentals derived therefrom, which are or shall be imposed by federal, state, county, municipal or other governmental authorities. Taxes shall not include any inheritance, estate, succession, gift, franchise, rental, income or profit tax, capital stock tax, capital levy or excise, or any income taxes arising out of or related to the ownership and operation of the Building, provided, however, that any of the same and any other tax, excise, fee, levy, charge or assessment, however described, that may in the future be levied or assessed as a substitute for or an addition to, in whole or in part, any tax, levy or assessment which would otherwise constitute Taxes, whether or not now customary or in the contemplation of the parties on the Execution Date of this Lease, shall constitute Taxes, but only to the extent calculated as if the Property were the only real estate owned by Landlord. "Taxes" shall also include reasonable

expenses (including without limitation legal and consultant fees) of tax abatement or other proceedings contesting assessments or levies.

(b) "**Tax Period**" shall be any fiscal/tax period in respect of which Taxes are due and payable to the appropriate governmental taxing authority (i.e., as mandated by the governmental taxing authority), any portion of which period occurs during the Term of this Lease.

(c) Payment of Taxes. Tenant shall pay to Landlord, as additional rent, Tenant's Tax Share of Taxes. Landlord may make a good faith estimate of the Taxes to be due by Tenant for any Tax Period or part thereof during the Term, and Tenant shall pay to Landlord, on the Rent Commencement Date and on the first (1st) day of each calendar month thereafter, an amount equal to Tenant's Tax Share of Taxes for such Tax Period or part thereof divided by the number of months therein. No more often than quarterly, Landlord may estimate and re-estimate Tenant's Tax Share of Taxes and deliver a copy of Landlord's good faith estimate or re-estimate to Tenant. Thereafter, the monthly installments of Tenant's Tax Share of Taxes shall be appropriately adjusted in accordance with the estimations so that, by the end of the Tax Period in question, Tenant shall have paid all of Tenant's Tax Share of Taxes as estimated by Landlord. Any amounts paid based on such an estimate shall be subject to adjustment as herein provided when actual Taxes are available for each Tax Period. If the total of such monthly remittances is greater than Tenant's Tax Share of Taxes actually due for such Tax Period, then, provided there is no Event of Default nor any event which, with the passage of time and/or the giving of notice would constitute an Event of Default, Tenant may credit the difference against the next installment of additional rent on account of Taxes due hereunder, except that if such difference is determined after the end of the Term, Landlord shall refund such difference to Tenant within thirty (30) days after such determination to the extent that such difference exceeds any amounts then due from Tenant to Landlord (it being understood and agreed that if Tenant cures any default prior to the expiration of the notice and/or cure periods set forth in Section 20.1 below, Tenant shall then be entitled to take such credit). If the total of such remittances is less than Tenant's Tax Share of Taxes actually due for such Tax Period, Tenant shall pay the difference to Landlord, as additional rent hereunder, within thirty (30) days of Tenant's receipt of an invoice therefor. Landlord's estimate of Taxes for the next Tax Period shall be made in good faith and shall be based upon actual Taxes for the prior Tax Period plus a reasonable adjustment based upon estimated increases in Taxes. In the event that Payments in Lieu of Taxes ("**PILOT**"), instead of or in addition to Taxes, are separately assessed to certain portions of the Building or the Property including the Premises, Tenant agrees, except as otherwise expressly provided herein to the contrary, to pay to Landlord, as additional rent, the portion of such PILOT attributable to the Premises in the same manner as provided above for the payment of Taxes. The provisions of this Section 5.3(c) shall survive the expiration or earlier termination of this Lease.

(d) Effect of Abatements. Appropriate credit against Taxes or PILOT shall be given for any refund obtained by reason of a reduction in any Taxes by the assessors or the administrative, judicial or other governmental agency responsible therefor after deduction of Landlord's expenditures for reasonable legal fees and for other reasonable expenses incurred in obtaining the Tax or PILOT refund.

(e) Part Years. If the Rent Commencement Date or the Expiration Date occurs in the middle of a Tax Period, Tenant shall be liable for only that portion of the Taxes, as the case may be, with respect to such Tax Period within the Term.

5.4 Late Payments.

(a) Any payment of Rent due hereunder not paid when due shall bear interest for each month or fraction thereof from the due date until paid in full at the annual rate of twelve percent (12%), or at any applicable lesser maximum legally permissible rate for debts of this nature (the "**Default Rate**"). Acceptance of interest shall not constitute a waiver of Tenant's default with respect to the overdue amount or prevent Landlord from exercising any of the other rights and remedies available to Landlord under this Lease or at law or in equity now or hereafter in effect.

(b) For each Tenant payment check to Landlord that is returned by a bank for any reason, Tenant shall pay a returned check charge equal to the amount as shall be customarily charged by Landlord's bank at the time.

(c) Money paid by Tenant to Landlord shall be applied to Tenant's account in the following order: first, to any unpaid additional rent, including without limitation late charges, returned check charges, reasonable legal fees and/or court costs incurred by Landlord and chargeable to Tenant hereunder; and then to unpaid Base Rent.

5.5 No Offset; Independent Covenants; Waiver. Rent shall **be** paid without notice or demand, and without setoff, counterclaim, defense, abatement, suspension, deferment, reduction or deduction, except as expressly provided herein. **EXCEPT AS EXPRESSLY PROVIDED HEREIN, TENANT WAIVES ALL RIGHTS (I) TO ANY ABATEMENT, SUSPENSION, DEFERMENT, REDUCTION OR DEDUCTION OF OR FROM RENT, AND (II) TO QUIT, TERMINATE OR SURRENDER THIS LEASE OR THE PREMISES OR ANY PART THEREOF. TENANT HEREBY ACKNOWLEDGES AND AGREES THAT THE OBLIGATIONS OF TENANT HEREUNDER SHALL BE SEPARATE AND INDEPENDENT COVENANTS AND AGREEMENTS, THAT RENT SHALL CONTINUE TO BE PAYABLE IN ALL EVENTS AND THAT THE OBLIGATIONS OF TENANT HEREUNDER SHALL CONTINUE UNAFFECTED, UNLESS THE REQUIREMENT TO PAY RENT OR PERFORM THE SAME SHALL HAVE BEEN ABATED, REDUCED OR TERMINATED PURSUANT TO AN EXPRESS PROVISION OF THIS LEASE. LANDLORD AND TENANT EACH ACKNOWLEDGES AND AGREES THAT THE INDEPENDENT NATURE OF THE OBLIGATIONS OF TENANT HEREUNDER REPRESENTS FAIR, REASONABLE, AND ACCEPTED COMMERCIAL PRACTICE WITH RESPECT TO THE TYPE OF PROPERTY SUBJECT TO THIS LEASE, AND THAT THIS AGREEMENT IS THE PRODUCT OF FREE AND INFORMED NEGOTIATION DURING WHICH BOTH LANDLORD AND TENANT WERE REPRESENTED BY COUNSEL SKILLED IN NEGOTIATING AND DRAFTING COMMERCIAL LEASES IN MASSACHUSETTS, AND THAT THE ACKNOWLEDGEMENTS AND AGREEMENTS CONTAINED HEREIN ARE MADE WITH FULL KNOWLEDGE OF THE HOLDING IN WESSON V. LEONE ENTERPRISES. INC.. 437 MASS. 708 (2002). SUCH ACKNOWLEDGEMENTS,**

AGREEMENTS AND WAIVERS BY TENANT ARE A MATERIAL INDUCEMENT TO LANDLORD ENTERING INTO THIS LEASE.

5.6 Survival. Any obligations under this Section 5 which shall not have been paid at the expiration or earlier termination of the Term shall survive such expiration or earlier termination and shall be paid when and as the amount of same shall be determined and be due.

6. INTENTIONALLY OMITTED.

7. LETTER OF CREDIT.

7.1 Amount.

(a) Contemporaneously with the execution of this Lease, Tenant shall deliver to Landlord either (i) cash in an amount specified in the Lease Summary Sheet (the "**Cash Security Deposit**"), which shall be held by Landlord in accordance with Section 7.5 below, or (ii) an irrevocable letter of credit which shall (a) be in the amount specified in the Lease Summary Sheet and otherwise in the form attached hereto as Exhibit 4: **(b)** issued by a bank reasonably acceptable to Landlord upon which presentment may be made in Boston, Massachusetts (if Landlord so requires at the time of its approval thereof); and (c) **be** for a term of one (1) year, subject to extension in accordance with the terms hereof (the "**Letter of Credit**"). The Letter of Credit shall be held by Landlord, without liability for interest, as security for the faithful performance by Tenant of all of the terms, covenants and conditions of this Lease by the Tenant to be kept and performed during the Term. In no event shall the Letter of Credit be deemed to be a prepayment of Rent nor shall it be considered a measure of liquidated damages. Unless the Letter of Credit is automatically renewing, at least thirty (30) days prior to the maturity date of the Letter of Credit (or any replacement Letter of Credit), Tenant shall deliver to Landlord a replacement Letter of Credit which shall have a maturity date no earlier than the next anniversary of the Term Commencement Date or one (1) year from its date of delivery to Landlord, whichever is later.

(b) If there is no Event of Default and no event which, with the passage of time and/or the giving of notice, would constitute an Event of Default on the date of the reduction, and further provided that there is no material adverse change in Tenant's net worth at the commencement of the fourth (4^{th}) Rent Year as verified by Landlord based upon a certificate from Tenant's chief financial officer and audited financials, then the amount of the Cash Security Deposit or the face amount of the Letter of Credit, as applicable, may be reduced by Tenant to $102,552.66 at the commencement of the fourth (4^{th}) Rent Year (it being understood and agreed that if Tenant cures any default prior to the expiration of the notice and/or cure periods set forth in Section 20.1 below, Tenant shall then be entitled to effectuate such reduction). Landlord shall, at no cost to Landlord, cooperate with Tenant and the issuer of the Letter of Credit in connection with such reduction, if applicable.

7.2 Application of Proceeds of Letter of Credit. Upon an Event of Default, or if any proceeding shall be instituted by or against Tenant pursuant to any of the provisions of any Act of Congress or State law relating to bankruptcy, reorganizations, arrangements, compositions or other relief from creditors (and, in the case of any proceeding instituted against it, if Tenant

shall fail to have such proceedings dismissed within thirty (30) days) or if Tenant is adjudged bankrupt or insolvent as a result of any such proceeding, or upon the end of the Term if there remains any uncured default of which Tenant shall have received notice, Landlord at its sole option may draw down all or a part of the Letter of Credit. The balance of any Letter of Credit cash proceeds shall be held in accordance with Section 7.5 below. Should the entire Letter of Credit, or any portion thereof, be drawn down by Landlord, Tenant shall, upon the written demand of Landlord, deliver a replacement Letter of Credit in the amount drawn, and Tenant's failure to do so within twenty (20) days after receipt of such written demand shall constitute an additional Event of Default hereunder. The application of all or any part of the cash proceeds of the Letter of Credit to any obligation or default of Tenant under this Lease shall not deprive Landlord of any other rights or remedies Landlord may have nor shall such application by Landlord constitute a waiver by Landlord.

7.3 Transfer of Letter of Credit. In the event that Landlord transfers its interest in the Premises, Tenant shall perform such acts and/or execute such documents as may be reasonably requested by Landlord, within ten (10) business days after such request and at no cost to Landlord, in order to name Landlord's successor as the beneficiary of the Letter of Credit. If Tenant fails to perform such acts and/or execute such documents within ten (10) business days after written notice from Landlord, Landlord shall have the right to draw down the entire amount of the Letter of Credit and hold the proceeds thereof in accordance with Section 7.5 below.

7.4 Credit of Issuer of Letter of Credit. In event of a material adverse change in the financial position of any bank or institution which has issued the Letter of Credit or any replacement Letter of Credit hereunder, Landlord reserves the right to require that Tenant change the issuing bank or institution to another bank or institution reasonably approved by Landlord. Tenant shall, within ten (10) business days after receipt of written notice from Landlord, which notice shall include the basis for Landlord's reasonable belief that there has been a material adverse change in the financial position of the issuer of the Letter of Credit, replace the then-outstanding letter of credit with a like Letter of Credit from another bank or institution reasonably approved by Landlord.

7.5 Security Deposit. Landlord shall hold the Cash Security Deposit and/or the balance of proceeds remaining after a draw (if any) on the Letter of Credit (each hereinafter referred to as the "**Security Deposit**") as security for Tenant's performance of all its Lease obligations. After an Event of Default, or upon the end of the Term if there remains any uncured default of which Tenant shall have received notice, Landlord may apply the Security Deposit, or any part thereof, to Landlord's damages without prejudice to any other Landlord remedy. Should Landlord apply all or any portion of the Security Deposit in accordance with the terms of this Lease during the Term of the Lease, Tenant shall, upon the written demand of Landlord, either (a) deliver cash in the amount applied, or (b) deliver a replacement Letter of Credit in the form and amount required hereunder (upon receipt of such replacement Letter of Credit, Landlord shall return the then-existing Security Deposit to Tenant). Tenant's failure to deliver such cash or replacement Letter of Credit within twenty (20) days after receipt of written demand shall constitute an additional Event of Default hereunder. Landlord has no obligation to pay interest on the Security Deposit and may co-mingle the Security Deposit with Landlord's funds. If Landlord conveys its interest under this Lease, the Security Deposit, or any part not applied

previously, shall be turned over to the grantee in which case Tenant shall look solely to the grantee for the proper application and return of the Security Deposit.

7.6 Return of Security Deposit or Letter of Credit. Should Tenant comply with all of such terms, covenants and conditions and promptly pay all sums payable by Tenant to Landlord hereunder, the Security Deposit and/or Letter of Credit or the remaining proceeds therefrom, as applicable, shall be returned to Tenant within sixty (60) days after the end of the Term, less any portion thereof which may have been utilized by Landlord to cure any default or applied to any actual damage suffered by Landlord as a result of Tenant's default.

8. INTENTIONALLY OMITTED

9. UTILITIES, HVAC; WASTE.

9.1 Electricity. Commencing on the Term Commencement Date, Tenant shall pay all charges for electricity furnished to the Premises and/or any equipment exclusively serving the same as additional rent as provided hereafter. Such charges shall be based in part on (a) reasonable estimates by Landlord based on percentage of air flow used by Tenant (measured through Landlord's Building energy management system) as to equipment in the Building serving the Building, Tenant and other tenants, to be separately billed by Landlord, (b) metering equipment installed as part of Landlord's Work, as to other electricity used in the Premises, which Tenant shall pay directly to the supplier, and (c) if applicable, such other metering equipment, if any, approved by Landlord in its reasonable discretion. Landlord shall, at Tenant's sole cost and expense, maintain and keep in good order, condition and repair all such metering equipment. Tenant shall pay the full amount of any charges attributable to such meter on or before the due date therefor either to Landlord or directly to the supplier thereof, at Landlord's election.

9.2 Water. Commencing on the Term Commencement Date, Tenant shall pay all water and sewer charges for water furnished to the Premises and/or any equipment exclusively serving the same as additional rent. Such charges shall be reasonably estimated by Landlord based on the percentage of air flow used by Tenant (measured through Landlord's Building energy management system). Landlord shall, at Tenant's sole cost and expense, maintain and keep in good order, condition and repair all such metering equipment. Tenant shall pay the full amount of any charges attributable to such meter on or before the due date therefor to Landlord.

9.3 Gas. Commencing on the Term Commencement Date, Tenant shall pay all charges for natural gas service furnished to the Premises and/or any equipment exclusively serving the same as additional rent as provided hereafter. Such charges shall be based in part on (a) reasonable estimates by Landlord based on percentage of air flow used by Tenant (measured through Landlord's Building energy management system) as to equipment in the Building serving the Building, Tenant, and other tenants, to be separately billed by Landlord, and (b) metering equipment installed as part of Landlord's Work, as to natural gas used in the Premises, which Tenant shall pay directly to the supplier, and (c) if applicable, such other metering equipment, if any, approved by Landlord in its reasonable discretion. Tenant shall pay the full amount of any charges attributable to such meter on or before the due date therefor directly to the supplier thereof.

9.4 HVAC. Consistent with the levels provided by Class A laboratory/R&D/office buildings in the East Cambridge/Cambridgeport area, Landlord shall provide to the Common Areas and the Premises on a twenty-four (24) hours per day, seven (7) days per week basis (i) heat 365 days/year and (ii) air conditioning during the normal cooling season; provided, however, that Landlord will provide air conditioning at such other times as reasonably requested by Tenant and (iii) general exhaust/ventilation. Excluded from such services are air conditioning requirements for (A) personal computers in excess of an average of one personal computer per person in occupancy of the Premises, or (B) exceptional office machinery. It is expressly acknowledged and agreed that Tenant shall be solely responsible for specialty exhaust required for the Premises (if any), including without limitation exhaust for H2 rooms, radiation hoods and isotope hoods, vivarium, chemical storage rooms which require Class I, Division II classification, if any, and any other special Tenant equipment. Whenever the air conditioning systems are in operation, Tenant agrees to use reasonable efforts to lower and close the blinds or drapes when necessary because of the sun's position, and to cooperate fully with Landlord with regard to, and to abide by all reasonable regulations and requirements applicable to the Building which Landlord may prescribe for the proper functioning and protection of the air conditioning systems and of which Tenant has received written notice.

9.5 Other Utilities; Utility Information. Subject to Landlord's reasonable rules and regulations governing the same, Tenant shall obtain and pay, as and when due, for all other utilities and services consumed in and/or furnished to the Premises, together with all taxes, penalties, surcharges and maintenance charges pertaining thereto. Within ten (10) business days after Landlord's request from time to time, Tenant shall provide Landlord with reasonably detailed information regarding tenant's utility usage in the Premises.

9.6 Interruption or Curtailment of Utilities.

(a) When necessary by reason of accident or emergency, or for repairs, alterations, replacements or improvements which in the reasonable judgment of Landlord are desirable or necessary to be made, Landlord reserves the right, upon as much prior notice to Tenant as is practicable under the circumstances and no less than twenty-four (24) hours' notice except in the event of an emergency, to interrupt, curtail, or stop (i) the furnishing of hot and/or cold water, and (ii) the operation of the plumbing and electric systems. Notwithstanding the foregoing,. Landlord shall provide Tenant with at least five (5) business days' notice of any such planned interruption or suspension. Landlord shall exercise reasonable diligence to mitigate and/or eliminate the cause of any such interruption, curtailment, stoppage or suspension, but, subject to Section 9.6(b) below, there shall be no diminution or abatement of Rent or other compensation due from Landlord to Tenant hereunder, nor shall this Lease be affected or any of Tenant's obligations hereunder reduced, and Landlord shall have no responsibility or liability for any such interruption, curtailment, stoppage, or suspension of services or systems.

(b) Notwithstanding anything to the contrary in this Lease contained, if the Premises shall lack any service which Landlord is required to provide hereunder, or if Tenant's use and occupancy of the Premises or any part thereof shall be disturbed in violation of Section 23 hereof (thereby rendering the Premises or a portion thereof substantially untenantable) such that, for the duration of the Landlord Service Interruption Cure Period (hereinafter defined), the continued operation in the ordinary course of Tenant's business in any portion of the Premises is

materially and adversely affected, and if Tenant ceases to use the affected portion of the Premises (the "**Affected Portion**") during the period of untenantability as the direct result of such lack of service or disturbance, then, provided that Tenant ceases to use the Affected Portion during the entirety of the Landlord Service Interruption Cure Period and that such untenantability and Landlord's inability to cure such condition is not caused by the fault or neglect of any of the Tenant Parties, Base Rent shall thereafter be abated in proportion to such untenantability until the day such condition is completely corrected. For purposes hereof, the "**Landlord Service Interruption Cure Period**" shall be defined as seven (7) consecutive business days after Landlord's receipt of written notice from Tenant of the condition causing untenantability in the Affected Portion. The provisions of this Section 9.6(b) shall not apply in the event of Casualty or Taking, or in the event of untenantability caused by causes beyond Landlord's control or if Landlord is unable to cure such condition as the result of causes beyond Landlord's control.

9.7 Telecommunications Providers. Notwithstanding anything to the contrary herein or in this Lease contained, Landlord has no obligation to allow any particular telecommunications service provider to have access to the Building or to Premises other than Verizon and LightTower (collectively, the "**Approved Providers**"). If Landlord permits such access, Landlord may condition such access upon (a) the execution of Landlord's standard telecommunications agreement (which shall include a provision requiring the payment of fair market rent for any space in the Property dedicated, licensed and/or leased to such provider), and (b) the payment to Landlord by Tenant or the service provider of any costs incurred by Landlord in facilitating such access. Subject to the preceding sentence, Landlord's consent to providing access to the Building to any service provider other than the Approved Providers shall not be unreasonably withheld, conditioned or delayed provided such access does not require any street opening permits or approvals (unless otherwise agreed to by the City of Cambridge) or would unreasonably interfere with the use of the Common Areas.

9.8 Landlord's Services. Subject to reimbursement pursuant to Section 5.2 above, Landlord shall provide the services described in Exhibit 8 attached hereto and made a part hereof ("**Landlord's Services**").

10. MAINTENANCE AND REPAIRS.

10.1 Maintenance and Repairs by Tenant. Tenant shall keep the Premises (including, without limitation, doors and door frames and plate glass (provided that Landlord shall have the right to repair plate glass at Tenant's cost)) neat and clean and free of insects, rodents, vermin and other pests and in such good repair, order and condition as the same are in on the Term Commencement Date or in such better condition as the Premises may be put in during the Term, reasonable wear and tear and damage by Casualty excepted. Tenant shall be solely responsible, at Tenant's sole cost and expense, for the proper maintenance of all building systems, sanitary, electrical, heating, air conditioning, plumbing, security or other systems and of all equipment and appliances to the extent installed and/or operated by Tenant and/or exclusively serving the Premises. Tenant agrees to provide regular maintenance by contract with a reputable qualified service contractor for the heating and air conditioning equipment exclusively servicing the Premises, if any. Such maintenance contract and contractor shall be subject to Landlord's reasonable approval. Tenant, at Landlord's request, shall at reasonable intervals provide Landlord with copies of such contracts and maintenance and repair records and/or reports.

10.2 Maintenance and Repairs by Landlord. Except as otherwise provided in Section 15, and subject to Tenant's obligations in Section 10.1 above, Landlord shall keep and maintain the roof, Building structure, exterior window frames, structural floor slabs and columns, all common sanitary,

electrical, heating, air conditioning, plumbing, security and other common Building systems (such as the common boiler, central vacuum, ROD1 and shared waste neutralization systems) and all common equipment and appliances serving the Property in good repair, order and condition. In addition, Landlord shall operate and maintain the Common Areas in substantially the same manner as other first-class combination office, R&D and laboratory facilities in the East Cambridge/Cambridgeport area.

10.3 Accidents to Sanitary and Other Systems. Tenant shall give to Landlord prompt notice of any fire or accident in the Premises or in the Building and of any damage to, or defective condition in, any part or appurtenance of the Building including, without limitation, sanitary, electrical, ventilation, heating and air conditioning or other systems located in, or passing through, the Premises. Except as otherwise provided in Section 15, and subject to Tenant's obligations in Section 10.1 above, such damage or defective condition shall be remedied by Landlord with reasonable diligence, but, subject to Section 14.5 below, if such damage or defective condition was caused by any of the Tenant Parties, the cost to remedy the same shall be paid by Tenant.

10.4 Floor Load—Heavy Equipment. Tenant shall not place a load upon any floor of the Premises exceeding the floor load per square foot of area which such floor was designed to carry and which is allowed by Legal Requirements. Landlord reserves the right to prescribe the weight and position of all safes, heavy machinery, heavy equipment, freight, bulky matter or fixtures (collectively, "**Heavy Equipment**"), which shall be placed so as to distribute the weight. Heavy Equipment shall be placed and maintained by Tenant at Tenant's expense in settings sufficient in Landlord's reasonable judgment to absorb and prevent vibration, noise and annoyance. Tenant shall not move any Heavy Equipment into or out of the Building without giving Landlord prior written notice thereof and observing all of Landlord's Rules and Regulations with respect to the same. If such Heavy Equipment requires special handling, Tenant agrees to employ only persons holding a Master Rigger's License to do said work, and that all work in connection therewith shall comply with Legal Requirements. Any such moving shall be at the sole risk and hazard of Tenant and Tenant will defend, indemnify and save Landlord and Landlord's agents (including without limitation its property manager), contractors and employees (collectively with Landlord, the "**Landlord Parties**") harmless from and against any and all claims, damages, losses, penalties, costs, expenses and fees (including without limitation reasonable legal fees) (collectively, "**Claims**") resulting directly or indirectly from such moving except to the extent resulting from the negligence or willful misconduct of any of the Landlord Parties. Proper placement of all Heavy Equipment in the Premises shall be Tenant's responsibility.

11. ALTERATIONS AND IMPROVEMENTS BY TENANT.

11.1 Landlord's Consent Required. Tenant shall not make any alterations, installations, removals, additions or improvements (collectively, "**Alterations**") in or to the Premises without Landlord's prior written approval of the contractor(s), written plans and specifications, a time schedule therefor and the items listed in Exhibit 5 attached hereto and

made a part hereof. For purposes of this Lease, Landlord's Work is not an Alteration. Landlord reserves the right to require that Tenant use Landlord's preferred vendor(s) for any Alterations that involve roof penetrations, alarm tie-ins, sprinklers, fire alarm and other life safety equipment. Tenant shall not make any amendments or additions to plans and specifications approved by Landlord without Landlord's prior written consent. Landlord's approval of non-structural Alterations shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, Landlord may withhold its consent in its sole discretion (a) to any Alteration to or affecting the Surrendered Lab Benches (hereinafter defined), fume hoods, roof and/or Building systems (except that Landlord's consent to Tenant's reconfiguration of the cabinets and/or drawers located beneath each Surrendered Lab Bench to accommodate the user's seating position shall not be unreasonably withheld, conditioned or delayed), (b) with respect to matters of aesthetics relating to Alterations to or affecting the exterior of the Building, and (c) to any Alteration affecting the Building structure. Notwithstanding the foregoing, Landlord's consent shall not be required (but the applicable Exhibit 5 items shall be provided if reasonably required by Landlord) with respect to Alterations that are purely decorative in nature nor with respect to non-structural Alterations that do not trigger any requirement for Alterations outside the Premises and which cost less than $25,000 in any one instance (and $75,000 in the aggregate per year) so long as such Alterations do not materially adversely affect the roof, Building systems or Building exterior (each, a "**Permitted Alteration**"), provided Tenant shall provide Landlord with reasonably detailed prior written notice thereof. Tenant shall be responsible for all elements of the design of Tenant's plans (including, without limitation, compliance with Legal Requirements, functionality of design, the structural integrity of the design, the configuration of the Premises and the placement of Tenant's furniture, appliances and equipment), and Landlord's approval of Tenant's plans shall in no event relieve Tenant of the responsibility for such design. Landlord shall have no liability or responsibility for any Claim alleged to have been caused by the particular materials (whether building standard or non-building standard), appliances or equipment selected by Tenant (and not required by Landlord) in connection with any work performed by or on behalf of Tenant. Except as otherwise expressly set forth herein, all Alterations shall be done at Tenant's sole cost and expense and at such times and in such manner as Landlord may from time to time reasonably designate. If Tenant shall make any Alterations, then Landlord may elect (not later than the time of Landlord's approval thereof (or as soon as reasonably possible and in any event within thirty (30) days after receipt of reasonably detailed notice regarding any Permitted Alteration)) to require Tenant at the expiration or sooner termination of the Term to restore the Premises to substantially the same condition as existed immediately prior to the Alterations. Tenant shall provide Landlord with reproducible record drawings (in CAD format) of all Alterations (other than purely decorative Alterations) within sixty (60) days after completion thereof.

11.2 Supervised Work. Landlord and Tenant recognize that to the extent Landlord permits Tenant to perform any Alterations outside the Premises and/or affecting the Building systems, or if required by Legal Requirements, Landlord will need to make arrangements to have supervisory personnel on site. Accordingly, Landlord and Tenant agree as follows: Tenant shall give Landlord at least two (2) business days' prior written notice of any time outside of normal construction hours when Tenant intends to perform portions of Alterations (the "**Supervised Work**"). Tenant shall reimburse Landlord, within thirty (30) days after demand therefor, for the reasonable cost of Landlord's supervisory personnel overseeing the Supervised Work.

11.3 Harmonious Relations. Tenant agrees that it will not, either directly or indirectly, use any contractors and/or materials if their use will create any difficulty, whether in the nature of a labor dispute or otherwise, with other contractors and/or labor engaged by Tenant or Landlord or others in the construction, maintenance and/or operation of the Building, the Property or any part thereof. In the event of any such difficulty, upon Landlord's request, Tenant shall cause all contractors, mechanics or laborers causing such difficulty to leave the Property immediately.

11.4 Liens. No Alterations shall be undertaken by Tenant until Tenant has made provision for written waiver of liens from all contractors for such Alteration and taken other appropriate protective measures approved and/or required by Landlord. Tenant shall either: (a) demonstrate to Landlord, to Landlord's reasonable satisfaction, that Tenant is able to pay for the cost of such Alteration, or (b) provide to Landlord security, in form and amount

reasonably satisfactory to Landlord (such as a letter of credit, escrowed funds, payment, performance and lien bonds or a guaranty), securing Tenant's obligation to pay for the entire cost of such Alteration. Any mechanic's lien filed against the Premises or the Building for work claimed to have been done for, or materials claimed to have been furnished to, Tenant shall be discharged by Tenant within ten (10) business days after Tenant's receipt of notice thereof, at Tenant's expense by filing the bond required by law or otherwise.

11.5 General Requirements. Unless Landlord and Tenant otherwise agree in writing, Tenant shall (a) obtain Landlord's written approval of any and all building permit applications relating to Alterations (including without limitation Permitted Alterations) to the Premises prior to submission thereof; (b) procure or cause others to procure on its behalf all necessary permits before undertaking any Alterations in the Premises (and provide copies thereof to Landlord); (c) perform all of such Alterations in a good and workmanlike manner, employing materials of good quality and in compliance with Landlord's reasonable construction rules and regulations, all insurance requirements of this Lease, and Legal Requirements; and (d) defend, indemnify and hold the Landlord Parties harmless from and against any and all Claims occasioned by or growing out of such Alterations except to the extent resulting from the negligence or willful misconduct of any of the Landlord Parties. Tenant shall cause contractors employed by Tenant to (i) carry Worker's Compensation Insurance in accordance with statutory requirements, (ii) carry Automobile Liability Insurance and Commercial General Liability Insurance (A) naming Landlord as an additional insured, and (B) covering such contractors on or about the Premises in the amounts stated in Section 14 hereof or in such other reasonable amounts as Landlord shall require, and (iii) submit certificates of insurance evidencing such coverage to Landlord prior to the commencement of any such Alterations. In addition, if construction during normal business hours unreasonably disturbs other tenants of the Property, in Landlord's sole discretion, Landlord may require Tenant to stop the performance of Alterations during normal business hours and to perform the same after hours.

12. SIGNAGE.

12.1 Restrictions. Tenant shall have the right to install Building standard signage identifying Tenant's business at the entrance to the Premises, which signage shall be subject to Landlord's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed so long as the same complies with Landlord's then-current signage guidelines for the

Building). Subject to the foregoing, Tenant shall not place or suffer to be placed or maintained on the exterior of the Premises, or any part of the interior visible from the exterior thereof, any sign, banner, advertising matter or any other thing of any kind (including, without limitation, any hand-lettered advertising), and shall not place or maintain any decoration, letter or advertising matter on the glass of any exterior window or door of the Premises without first obtaining Landlord's written approval. No signs or blinds may be put on or in any exterior window or elsewhere if visible from the exterior of the Building. Landlord shall provide Tenant with building standard blinds for each window within the Premises and Tenant shall install the same at Tenant's sole cost and expense. Tenant may not remove the building standard blinds without Landlord's prior written consent. Tenant may hang its own drapes, provided that they shall not in any way interfere with any building standard drapery or blinds provided by Landlord or be visible from the exterior of the Building, and that such drapes are so hung and installed that, when drawn, the building standard drapery or blinds are automatically also drawn.

12.2 Building Directory. Landlord shall list Tenant within the directory in the Building lobby at Landlord's sole cost and expense. Subject to reasonable limits on the number of lines on the directory Landlord can provide and all such additional signage in the lobby directory, Landlord shall add the names of any approved subtenants or licensees occupying any portion of the Premises at Tenant's sole cost and expense.

12.3 Monument Sign. Subject to the issuance of applicable permits and approvals and subject further to Legal Requirements, Landlord intends to install a monument sign on the Property on which Landlord shall list Tenant's name (as well as the names of other tenants or occupants of the Building). Such listing shall comply with Landlord's then-current signage guidelines for the Property.

13. ASSIGNMENT, MORTGAGING AND SUBLETTING.

13.1 Landlord's Consent Required. Tenant shall not, without Landlord's prior written consent, which consent may be withheld in Landlord's sole discretion, mortgage or otherwise encumber this Lease or the Premises in whole or in part. Except as expressly otherwise set forth in this Section 13, Tenant shall not, without Landlord's prior written consent, which consent shall be granted or withheld in accordance with Section 13.3 below, assign, sublet, mortgage, license, transfer or encumber this Lease or the Premises in whole or in part whether by changes in the ownership or control of Tenant, or any direct or indirect owner of Tenant, whether at one time or at intervals, by sale or transfer of stock, partnership or beneficial interests, operation of law or otherwise, or permit the occupancy of all or any portion of the Premises by any person or entity other than Tenant's employees (each of the foregoing, a "**Transfer**"). Any purported Transfer made without Landlord's consent, if required hereunder, shall be void and confer no rights upon any third person, provided that if there is a Transfer, Landlord may collect rent from the transferee without waiving the prohibition against Transfers, accepting the transferee, or releasing Tenant from full performance under this Lease. In the event of any Transfer in violation of this Section 13, Landlord shall have the right to terminate this Lease upon thirty (30) days' written notice to Tenant given within sixty (60) days after receipt of written notice from Tenant to Landlord of any Transfer, or within one (1) year after Landlord first learns of the Transfer if no notice is given, if, in either case, Tenant fails to rescind such Transfer within thirty (30) days after Landlord notifies Tenant of Landlord's intention to

terminate this Lease. No Transfer shall relieve Tenant of its primary obligation as party Tenant hereunder, nor shall it reduce or increase Landlord's obligations under this Lease. Notwithstanding anything to the contrary set forth herein, (a) so long as Tenant is a publicly traded company on a nationally recognized stock exchange in the United States of America, no sale of Tenant's stock shall be deemed a Transfer, and (b) the infusion of additional equity capital in Tenant, or an initial public offering of equity securities of Tenant under the Securities Act of 1933, as amended, which results in Tenant's stock being traded on a national securities exchange, shall not be deemed a Transfer.

13.2 Landlord's Recapture Right.

(a) Subject to Section 13.7 below, Tenant shall, prior to offering or advertising fifty percent (50%) or more of the Premises (individually or in the aggregate with other license(s), sublease(s) or other occupancy agreement(s) then in effect) for a Transfer, give a written notice (the "**Recapture Notice**") to Landlord which: (i) states that Tenant desires to make a Transfer, (ii) identifies the affected portion of the Premises (the "**Recapture Premises**"), (iii) identifies the period of time (the "**Recapture Period**") during which Tenant proposes to sublet the Recapture Premises, or indicates that

Tenant proposes to assign its interest in this Lease, and (iv) offers to Landlord to terminate this Lease with respect to the Recapture Premises (in the case of a proposed assignment of Tenant's interest in this Lease or a subletting for the remainder of the term of this Lease) or to suspend the Term for the Recapture Period (i.e. the Term with respect to the Recapture Premises shall be terminated during the Recapture Period and Tenant's rental obligations shall be proportionately reduced). Landlord shall have fifteen (15) business days within which to respond to the Recapture Notice. If Landlord does not respond within such 15-business day period, Landlord shall be deemed to have refused the offer contained in the Recapture Notice.

(b) If Tenant does not enter into a Transfer on the terms and conditions contained in the Recapture Notice on or before the date which is one hundred eighty (180) days after the earlier of: (x) the expiration of the 15-business day period specified in Section 13.2(a) above, or (y) the date that Landlord notifies Tenant in writing that Landlord will not accept Tenant's offer contained in the Recapture Notice, *time being of the essence*, then prior to entering into any Transfer after such 180-day period, Tenant must deliver to Landlord a new Recapture Notice in accordance with Section 13.2(a) above.

(c) Notwithstanding anything to the contrary contained herein, if Landlord notifies Tenant that it accepts the offer contained in the Recapture Notice or any subsequent Recapture Notice, Tenant shall have the right, for a period of fifteen (15) days following receipt of such notice from Landlord, *time being of the essence*, to notify Landlord in writing that it wishes to withdraw such offer and this Lease shall continue in full force and effect.

13.3 Standard of Consent to Transfer. If Landlord does not timely give written notice to Tenant accepting a Recapture Offer or declines to accept the same, then Landlord agrees that, subject to the provisions of this Section 13, Landlord shall not unreasonably withhold, condition or delay its consent to a Transfer to an entity which will use the Premises for the Permitted Uses and, in Landlord's reasonable opinion: (a) has a tangible net worth and other financial indicators reasonably sufficient to meet the Transferee's obligations under the Transfer

instrument in question; (b) has a business reputation compatible with the operation of a first-class combination laboratory, research, development and office building in the East Cambridge/Cambridgeport area; and (c) such entity's intended use of the Premises does not violate any exclusive or restrictive use provisions of any leases then in effect with respect to space in the Building; provided, however, if there shall be, at the time that Landlord is otherwise required to provide its consent, an event which, with the passage of time and/or the giving of notice, would constitute an Event of Default, then it shall be reasonable for Landlord to condition its consent to the Transfer in question on Tenant's cure of such default prior to the expiration of applicable cure periods set forth in Section 20.1.

13.4 Listing Confers no Rights. The listing of any name other than that of Tenant, whether on the doors of the Premises or on the Building directory, or otherwise, shall not operate to vest in any such other person, firm or corporation any right or interest in this Lease or in the Premises or be deemed to effect or evidence any consent of Landlord, it being expressly understood that any such listing is a privilege extended by Landlord revocable at will by written notice to Tenant.

13.5 Profits In Connection with Transfers. Tenant shall, within thirty (30) days of Tenant's actual receipt thereof, pay to Landlord fifty percent (50%) of Net Rent (hereinafter defined) in excess of Rent hereunder as if such amount were originally called for by the terms of this Lease as additional rent. "**Net Rent**" shall mean any rent, sum or other consideration paid or given to Tenant in connection with any Transfer other than a Transfer to a Successor, either initially or over time, minus (a) the reasonable actual out-of-pocket expenses incurred by Tenant in connection with such Transfer (including without limitation legal, marketing and brokerage expenses and the cost of improvements paid for by Tenant in connection therewith), (b) any unamortized portion of Landlord's Work paid for by Tenant, and (c) any unamortized portion of the reasonable actual out-of-pocket costs incurred by Tenant in connection with Alterations made prior to such Transfer.

13.6 Prohibited Transfers. Notwithstanding any contrary provision of this Lease, Tenant shall have no right to make a Transfer unless on both (i) the date on which Tenant notifies Landlord of its intention to enter into a Transfer and (ii) the date on which such Transfer is to take effect, there is not an Event of Default. Notwithstanding anything to the contrary contained herein, Tenant agrees that in no event shall Tenant make a Transfer to (a) any government agency; (b) any tenant, subtenant or occupant of other space in the Building (other than Affiliated Entities or Successors) if Landlord has comparable space in the Building available for lease; or (c) any entity with whom Landlord shall have negotiated for space in the Property in the three (3) months immediately preceding such proposed Transfer.

13.7 Exceptions to Requirement for Consent. Notwithstanding anything to the contrary herein contained, Tenant shall have the right, without obtaining Landlord's consent and without giving Landlord a Recapture Notice, to (a) make a Transfer to an Affiliated Entity (hereinafter defined), and (b) assign Tenant's interest in this Lease to a Successor, provided that prior to or simultaneously with any such Transfer, such Affiliated Entity or Successor, as the case may be, and Tenant execute and deliver to Landlord an assignment and assumption agreement in form and substance reasonably acceptable to Landlord whereby such Affiliated Entity or Successor, as the case may be, shall agree to be independently bound by and upon all

the covenants, agreements, terms, provisions and conditions set forth in the Lease on the part of Tenant to be performed, and whereby such Affiliated Entity or Successor, as the case may be, shall expressly agree that the provisions of this Section 13 shall, notwithstanding such Transfer, continue to be binding upon it with respect to all future Transfers. For the purposes hereof, an "**Affiliated Entity**" shall be defined as any entity which is controlled by, is under common control with, or which controls Tenant (with "control" in this context meaning the power to direct the management and policies of the entity in question, directly or indirectly, through the exercise of voting rights, by contract, or otherwise). For the purposes hereof, a "**Successor**" shall be defined as any entity into or with which Tenant is merged or with which Tenant is consolidated or which acquires all or substantially all of Tenant's stock or assets, provided that the surviving entity shall have a net worth no less than the net worth of Tenant immediately prior to such assignment. Notwithstanding the provisions of this Section 13.7, no transaction or series of transactions which are effected solely for the purpose of qualifying as a transaction which does not require Landlord's consent (i.e. and thereby avoiding the operation of the provisions of this Article 13) shall be permitted pursuant to this Section 13.7.

14. INSURANCE; INDEMNIFICATION; EXCULPATION.

14.1 Tenant's Insurance.

(a) Tenant shall procure, pay for and keep in force throughout the Term (and for so long thereafter as Tenant remains in occupancy of the Premises) commercial general liability insurance insuring Tenant on an occurrence basis against all claims and demands for personal injury liability (including, without limitation, bodily injury, sickness, disease, and death) or damage to property which may be claimed to have occurred from and after the time any of the Tenant Parties shall first enter the Premises, of not less than Two Million Dollars ($2,000,000) per occurrence, Three Million Dollars ($3,000,000) aggregate, and from time to time thereafter shall be not less than such higher amounts, if procurable, as may be reasonably required by Landlord. Tenant shall also carry umbrella liability coverage in an amount of no less than Five Million Dollars ($5,000,000). Such policy shall also include contractual liability coverage covering Tenant's liability assumed under this Lease, including without limitation Tenant's indemnification obligations. Such insurance policy(ies) shall name Landlord, Landlord's managing agent and such other persons/entities designated by Landlord in writing, if any, as additional insureds.

(b) Tenant shall take out and maintain throughout the Term a policy of fire, vandalism, malicious mischief, extended coverage and so-called "all risk" coverage insurance in an amount equal to one hundred percent (100%) of the replacement cost insuring (i) all items or components of Tenant's Alterations (collectively, the "**Tenant-Insured Improvements**"), and (ii) Tenant's furniture, equipment, fixtures and property of every kind, nature and description related or arising out of Tenant's leasehold estate hereunder, which may be in or upon the Premises or the Building (collectively, "**Tenant's Property**"). Such insurance shall insure the interests of both Landlord and Tenant as their respective interests may appear from time to time.

(c) Tenant shall take out and maintain a policy of business interruption insurance throughout the Term sufficient to cover at least twelve (12) months of Rent due hereunder and Tenant's business losses during such 12-month period.

(d) Tenant shall procure and maintain at its sole expense such additional insurance as may be necessary to comply with any Legal Requirements.

(e) During periods when any Alterations are being performed, Builders Risk Insurance.

(f) The insurance required pursuant to Sections 14.1(a), (b), (c), (d) and (e) (collectively, "**Tenant's Insurance Policies**") shall be effected with insurers approved by Landlord, with a rating of not less than "A-XI" in the current *Best's Insurance Reports*, and authorized to do business in the Commonwealth of Massachusetts under valid and enforceable policies. Tenant's Insurance Policies shall each provide that it shall not be canceled or modified without at least thirty (30) days' prior written notice to each insured named therein (except that ten (10) days' prior written shall be provided in the event of cancellation for non-payment of premium). Tenant's Insurance Policies may include deductibles in an amount no greater than the greater of $25,000 or commercially reasonable amounts. On or before the date on which any of the Tenant Parties shall first enter the Premises and thereafter not less than fifteen (15) days prior to the expiration date of each expiring policy, Tenant shall deliver to Landlord certificates of insurance evidencing the requirements hereof. In the event of any claim, and upon Landlord's request, Tenant shall deliver to Landlord complete copies of Tenant's Insurance Policies. Upon request of Landlord, Tenant shall deliver to any Mortgagee copies of the foregoing documents.

14.2 Indemnification.

(a) Except to the extent caused by the negligence or willful misconduct of any of the Landlord Parties, Tenant shall defend, indemnify and save the Landlord Parties harmless from and against any and all Claims asserted by or on behalf of any person, firm, corporation or public authority arising from:

(i) Tenant's breach of any covenant or obligation under this Lease;

(ii) Any injury to or death of any person, or loss of or damage to property, sustained or occurring in, upon, at or about the Premises;

(iii) Any injury to or death of any person, or loss of or damage to property arising out of the use or occupancy of the Premises by or the negligence or willful misconduct of any of the Tenant Parties; and (iv) On account of or based upon any work or thing whatsoever done (other than by Landlord or any of the Landlord Parties) at the Premises during the Term and during the period of time, if any, prior to the Term Commencement Date that any of the Tenant Parties may have been given access to the Premises.

(b) Except to the extent caused by the negligence or willful misconduct of any of the Tenant Parties, Landlord shall defend, indemnify and save Tenant harmless from and against any and all Claims asserted by or on behalf of any person, firm, corporation or public authority arising from (i) Landlord's breach of any covenant or obligation under this Lease, or (ii) any injury to or death of any person, or loss of or damage to property arising out of the negligence or willful misconduct of any of the Landlord Parties.

14.3 Property of Tenant. Tenant covenants and agrees that, to the maximum extent permitted by Legal Requirements, all of Tenant's Property at the Premises shall be at the sole risk and hazard of Tenant, and that if the whole or any part thereof shall be damaged, destroyed, stolen or removed from any cause or reason whatsoever, no part of said damage or loss shall be charged to, or borne by, Landlord, except, subject to Section 14.5 hereof, to the extent such damage or loss arises out of the negligence or willful misconduct of any of the Landlord Parties.

14.4 Limitation of Landlord's Liability for Damage or Injury. Landlord shall not be liable for any injury or damage to persons, animals, or property resulting from fire, explosion, falling plaster, steam, gas, air contaminants or emissions, electricity, electrical or electronic emanations or disturbance, water, rain or snow or leaks from any part of the Building or from the pipes, appliances, equipment or plumbing works or from the roof, street or sub-surface or from any other place or caused by dampness, vandalism, malicious mischief or by any other cause of whatever nature, except to the extent caused by or arising out of the negligence or willful misconduct of any of the Landlord Parties. If Tenant knows of any such condition, Tenant shall notify Landlord in writing as soon as possible so as to enable Landlord to prevent such damage or loss. Tenant shall take all reasonably prudent measures and safeguards to prevent any injury, loss or damage to persons or property. Notwithstanding the foregoing, in no event shall any of the Landlord Parties be liable for any loss to the extent such loss is covered by insurance policies actually carried by Tenant or required by this Lease to be so carried by Tenant; nor shall any of the

Landlord Parties be liable for any such damage caused by other tenants or persons in the Building or caused by operations in construction of any private, public, or quasi-public work; nor shall any of the Landlord Parties be liable for any latent defect in the Premises or in the Building.

14.5 Waiver of Subrogation; Mutual Release. Landlord and Tenant each hereby waives on behalf of itself and its property insurers (none of which shall ever be assigned any such claim or be entitled thereto due to subrogation or otherwise) any and all rights of recovery, claim, action, or cause of action against the other and its agents, officers, servants, partners, shareholders, or employees (collectively, the "**Related Parties**") for any loss or damage (excluding rights of recovery, claims, actions, and causes of action relating to damage to the roof of the Building caused by Tenant but including rights of recovery, claims, actions, and causes of action relating to damage to the roof of the Building caused by any Casualty (hereinafter defined)) that may occur to or within the Premises or the Building or any improvements thereto, or any personal property of such party therein which is insured against under any property insurance policy actually being maintained by the waiving party from time to time, even if not required hereunder, or which would be insured against under the terms of any insurance policy required to be carried or maintained by the waiving party hereunder, whether or not such insurance coverage is actually being maintained, including, in every instance, such loss or damage that may be caused by the negligence of the other party hereto and/or its Related Parties. Landlord and Tenant each agrees to cause appropriate clauses to be included in its property insurance policies necessary to implement the foregoing provisions.

14.6 Tenant's Acts—Effect on Insurance. Tenant shall not do or permit any Tenant Party to do any act or thing upon the Premises or elsewhere in the Building which will invalidate or be in conflict with any insurance policies or warranties covering the Building and the fixtures and property therein and of which Tenant has prior notice; and shall not do, or permit to be done, any act or thing upon the Premises which shall subject Landlord to any liability or responsibility

for injury to any person or persons or to property by reason of any business or operation being carried on upon said Premises or for any other reason. If by reason of the failure of Tenant to comply with the provisions hereof the insurance rate applicable to any policy of insurance shall at any time thereafter be higher than it otherwise would be, Tenant shall reimburse Landlord for that part of any insurance premiums which shall have been charged because of such failure by Tenant within thirty (30) days after receipt of an invoice therefor.

14.7 Landlord's Insurance. Landlord shall obtain and maintain (or cause to be obtained and maintained) in force throughout the Term hereof, in a company or companies authorized to do business in the Commonwealth of Massachusetts: (a) property insurance on the Building (exclusive of Tenant's Property, Alterations and personal property of, and alterations by, other tenants or occupants), in an amount equal to the full replacement value of the Building (exclusive of foundations and those items set forth in the preceding parenthetical in this sentence), covering fire, vandalism, malicious mischief, extended coverage and so-called "all risk"; and (b) commercial general liability insurance against claims of bodily injury, personal injury and property damage liability arising out of Landlord's operation of the Building in such amount as a prudent owner of similar property would carry or as otherwise required by any Mortgagee. The foregoing insurance may be maintained in the form of a blanket policy covering the Building as well as other properties owned by Landlord and Landlord's affiliates. Notwithstanding the foregoing provisions of this Section 14.7, Landlord shall have the right to self-insure all or any portion of the coverages required by this Section 14.7 so long as (i) Landlord is, or is controlled by, Massachusetts Institute of Technology, or (ii) Landlord (or the parent entity controlling Landlord) has a tangible net worth equal to or greater than Five Hundred Million Dollars ($500,000,000); provided, however, if Landlord's parent entity, and not Landlord, meets such net worth test, Landlord's parent shall agree with Tenant to be responsible for such self-insurance and to be bound by the provisions of this Lease related thereto.

15. CASUALTY; TAKING.

15.1 Damage. If the Premises are damaged in whole or part because of fire or other insured casualty ("**Casualty**"), or if the Premises are subject to a taking in connection with the exercise of any power of eminent domain, condemnation, or purchase under threat or in lieu thereof (any of the foregoing, a "**Taking**"), then unless this Lease is terminated in accordance with Section 15.2 below, Landlord shall use diligent efforts to restore the Building and/or the Premises to substantially the same condition as existed immediately following completion of Landlord's Work, or in the event of a partial Taking which affects the Building and the Premises, restore the remainder of the Building and the Premises not so Taken to substantially the same condition as is reasonably feasible. Subject to rights of Mortgagees, Tenant Delays, Legal Requirements then in existence and to delays for adjustment of insurance proceeds or Taking awards, as the case may be, and instances of Landlord's Force Majeure, Landlord shall substantially complete such restoration within one (1) year after Landlord's receipt of all required permits therefor. Upon substantial completion of such restoration by Landlord, Tenant shall use diligent efforts to complete restoration of the Premises to substantially the same condition as existed immediately prior to such Casualty or Taking, as the case may be, as soon as reasonably possible. Tenant agrees, at no cost to Tenant, to cooperate with Landlord in such manner as Landlord may reasonably request to assist Landlord in collecting insurance proceeds due in connection with any Casualty which affects the Premises or the Building. In no event

shall Landlord be required to expend more than the Net (hereinafter defined) insurance proceeds Landlord receives for damage to the Premises and/or the Building or the Net Taking award attributable to the Premises and/or the Building. "**Net**" means the insurance proceeds or Taking award actually paid to Landlord (and not paid over to a Mortgagee) less all costs and expenses, including adjusters and attorney's fees, of obtaining the same. In the Operating Year in which a Casualty occurs, there shall be included in Operating Costs Landlord's deductible under its property insurance policy. Under no circumstances shall Landlord be required to repair any damage to, or make any repairs to or replacements of, any Tenant-Insured Improvements.

15.2 Termination Rights.

(a) Landlord's Termination Rights. Landlord may terminate this Lease upon thirty (30) days' prior written notice to Tenant if:

(i) any material portion of the Building or any material means of access thereto is taken;

(ii) more than thirty-five percent (35%) of the Building is damaged by Casualty; or (iii) if the estimated time to complete Landlord's restoration exceeds one (1) year from the date on which Landlord receives all required permits for such restoration.

(b) Tenant's Termination Right. If Landlord is so required but fails to complete restoration of the Premises within the time frames and subject to the conditions set forth in Section 15.1 above, then Tenant may terminate this Lease upon thirty (30) days' written notice to Landlord; provided, however, that if Landlord completes such restoration within thirty (30) days after receipt of any such termination notice, such termination notice shall be null and void and this Lease shall continue in full force and effect. The remedies set forth in this Section 15.2(b) and in Section 15.2(c) below are Tenant's sole and exclusive rights and remedies based upon Landlord's failure to complete the restoration of the Premises as set forth herein.

(c) Either Party May Terminate. In the case of any Casualty or Taking affecting the Premises and occurring during the last twelve (12) months of the Term, then (i) if such Casualty or Taking results in more than twenty-five percent (25%) of the floor area of the Premises being unsuitable for the Permitted Uses, or (ii) the damage to the Premises costs more than $100,000 to restore, then either Landlord or Tenant shall have the option to terminate this Lease upon thirty (30) days' written notice to the other. In addition, if any Mortgagee does not release sufficient insurance proceeds to cover the cost of Landlord's restoration work and Landlord does not agree in writing to cover the difference, Landlord shall notify Tenant thereof and Landlord or Tenant may terminate this Lease by written notice to the other.

(d) Automatic Termination. In the case of a Taking of the entire Premises, then this Lease shall automatically terminate as of the date of possession by the Taking authority.

(e) Notwithstanding anything to the contrary contained herein, Tenant may not terminate this Lease pursuant to this Section 15 if the Casualty in question was caused by the willful misconduct of any of the Tenant Parties.

15.3 Taking for Temporary Use. If the Premises are Taken for temporary use, this Lease shall continue in full force and effect. For purposes hereof, a "**Taking for temporary use**" shall mean a Taking of ninety (90) days or less.

15.4 Disposition of Awards. Except for any separate award for Tenant's movable trade fixtures, relocation expenses, and unamortized leasehold improvements paid for by Tenant (provided that the same may not reduce Landlord's award), all Taking awards to Landlord or Tenant shall be Landlord's property without Tenant's participation, and Tenant hereby assigns to Landlord Tenant's interest, if any, in such award. Tenant may pursue its own claim against the Taking authority.

15.5 Abatement. In the event of any Casualty or Taking affecting the Premises and/or all material means of access thereto, Base Rent and Tenant's regular monthly payments of additional rent on account of Operating Costs and Taxes shall be equitably abated for the period from the date of such Casualty or Taking until the earlier of (a) the date that Landlord substantially completes Landlord's restoration work (provided that if Landlord would have completed Landlord's restoration work at an earlier date but for delays caused by the acts or wrongful or negligent omissions of any of the Tenant Parties of which Tenant has prior notice, then the Premises shall be deemed to have been repaired and restored on such earlier date), or (b) the date Tenant or other occupant reoccupies any portion of the Premises for the conduct of its business (in which case the Base Rent and Additional Rent allocable to such reoccupied portion shall be payable by Tenant from the date of such occupancy). The reasonable determination of Landlord's architect of the date Landlord's restoration to the Premises shall have been substantially completed shall be controlling unless Tenant disputes same by notice to Landlord given within fifteen (15) days after receipt of written notice from Landlord setting forth such determination by Landlord, and pending resolution of such dispute, Tenant's obligation to re-commence the payment of Rent shall commence in accordance with Landlord's determination. In the event of a Taking where this Lease is not terminated, a just proportion of the Rent, based on the nature and extent of the interference with Tenant's business operations, shall be abated for the duration of the Taking.

16. ESTOPPEL CERTIFICATE. Each of Landlord and Tenant shall at any time and from time to time upon not less than ten (10) business days' prior notice from the other, execute, acknowledge and deliver to the requesting party a statement in writing certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), and the dates to which Rent has been paid in advance, if any, stating whether or not the other party is, to the knowledge of the certifying party, in default in performance of any covenant, agreement, term, provision or condition contained in this Lease and, if so, specifying each such default, stating whether or not the certifying party is in default in performance of any covenant, agreement, term, provision or condition contained in this Lease and, if so, specifying each such default and such other facts as may be reasonably requested, it being intended that any such statement delivered pursuant hereto may be relied upon by any prospective purchaser of the Building or of any interest of Landlord therein, any Mortgagee or prospective mortgagee thereof, any lessor or prospective lessor thereof, any lessee or prospective lessee thereof, or any prospective assignee of any mortgage thereof. *Time is of the essence with respect to any such requested certificate,* Tenant hereby

acknowledging the importance of such certificates in mortgage financing arrangements, prospective sales and the like.

17. HAZARDOUS MATERIALS.

17.1 Prohibition. Tenant shall not, without the prior written consent of Landlord, bring or permit to be brought or kept in or on the Premises or elsewhere in the Building or the Property (i) any inflammable, combustible or explosive fluid, material, chemical or substance (except for standard office supplies stored in proper containers); and (ii) any Hazardous Material (hereinafter defined), other than the types and quantities of Hazardous Materials which are listed on Exhibit 6 attached hereto ("**Tenant's Hazardous Materials**"), provided that the same shall at all times be brought upon, kept or used in so-called 'control rooms' and in accordance with all applicable Environmental Laws (hereinafter defined) and accepted environmental practice and (with respect to medical waste and so-called "biohazard" materials) accepted medical practice. Tenant shall be responsible for assuring that all laboratory uses are adequately and properly vented. On or before each anniversary of the Rent Commencement Date, and on any earlier date during the 12-month period on which Tenant intends to add a new Hazardous Material to, or materially increase the quantity of any Hazardous Material already on, the list of Tenant's Hazardous Materials, Tenant shall submit to Landlord an updated list of Tenant's Hazardous Materials for Landlord's review and approval, which approval shall not be unreasonably withheld, conditioned or delayed. Landlord shall have the right, from time to time, to inspect the Premises for compliance with the terms of this Section 17.1. Notwithstanding the foregoing, with respect to any of Tenant's Hazardous Materials which Tenant does not properly handle, store or dispose of in compliance with all applicable Environmental Laws (hereinafter defined), accepted environmental practice and (with respect to medical waste and so-called "biohazard materials) accepted medical practice, Tenant shall, upon written notice from Landlord, no longer have the right to bring such material into

the Building or the Property until Tenant has demonstrated, to Landlord's reasonable satisfaction, that Tenant has implemented programs to thereafter properly handle, store or dispose of such material.

17.2 Environmental Laws. For purposes hereof, "**Environmental Laws**" shall mean all laws, statutes, ordinances, rules and regulations of any local, state or federal governmental authority having jurisdiction concerning environmental, health and safety matters, including but not limited to any discharge by any of the Tenant Parties into the air, surface water, sewers, soil or groundwater of any Hazardous Material (hereinafter defined) whether within or outside the Premises, including, without limitation (a) the Federal Water Pollution Control Act, 33 U.S.C. Section 1251 et seq., (b) the Federal Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., (c) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq., (d) the Toxic Substances Control Act of 1976, 15 U.S.C. Section 2601 et seq., and (e) Chapter 21E of the General Laws **of** Massachusetts. Tenant, at its sole cost and expense, shall comply with (i) all Environmental Laws, and (ii) any rules, requirements and safety procedures of the Massachusetts Department of Environmental Protection, the City of Cambridge and any insurer of the Building or the Premises with respect to Tenant's use, storage and disposal of any Hazardous Materials.

17.3 Hazardous Material Defined. As used herein, the term "**Hazardous Material**" means asbestos, oil or any hazardous, radioactive or toxic substance, material or waste or

petroleum derivative which is or becomes regulated by any Environmental Law. The term "**Hazardous Material**" includes, without limitation, oil and/or any material or substance which is (i) designated as a "hazardous substance," "hazardous material," "oil," "hazardous waste" or toxic substance under any Environmental Law.

17.4 Testing. If any Mortgagee or governmental authority requires testing to determine whether there has been any release of Hazardous Materials and such testing is required as a result of the acts or omissions of any of the Tenant Parties, then Tenant shall reimburse Landlord within thirty (30) days after demand, as additional rent, for the reasonable costs thereof. Tenant shall execute affidavits, certifications and the like, as may be reasonably requested by Landlord from time to time concerning Tenant's best knowledge and belief concerning the presence of Hazardous Materials in or on the Premises, the Building or the Property; provided, however, that no such requests shall pertain to periods of time prior to the Term Commencement Date.

17.5 Indemnity; Remediation.

(a) Tenant hereby covenants and agrees to indemnify, defend and hold the Landlord Parties harmless from and against any and all Claims against any of the Landlord Parties arising out of contamination of any part of the Property or other adjacent property, which contamination arises as a result of: (i) the presence of Hazardous Material in the Premises, the presence of which is caused by any act or omission of any of the Tenant Parties, or (ii) from a breach by Tenant of its obligations under this Section 17, it being understood and agreed that direct damages may include, without limitation, (A) reasonable costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work or any other response action required by any federal, state or local governmental agency or political subdivision or any Environmental Law because of Hazardous Material present in the soil, soil vapor, or ground water on or under, or any indoor air in, the Building based upon the circumstances identified in the foregoing subsections (i) and (ii), (B) lost rental revenue resulting from the termination of this Lease or other leases in the Building or from abatements of rent granted during periods when the Building is partially or wholly untenantable or the business operations of tenants or other occupants of the Building are adversely affected as a result of the circumstances identified in the foregoing subsections (i) and (ii), (C) lost rental revenue during a reasonable period of time within which to relet any space in the Building that was the subject of leases terminated as a result of the circumstances identified in the foregoing subsections (i) and (ii), (D) commercially reasonable Reletting Costs with respect to space in the Building that was the subject of leases terminated as a result of the circumstances identified in the foregoing subsections (i) and (ii), and (E) reasonable costs and losses resulting from Landlord's inability to finance, refinance and/or sell all or any portion of Landlord's interest in the Property on commercially reasonable terms at any time as a direct result of the circumstances identified in the foregoing subsections (i) and (ii). This indemnification of the Landlord Parties by Tenant includes, without limitation, reasonable costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work or any other response action required by any federal, state or local governmental agency or political subdivision because of Hazardous Material present in the soil, soil vapor, or ground water on or under, or any indoor air in, the Building based upon the circumstances identified in the first sentence of this Section 17.5. The indemnification and hold harmless obligations of Tenant under this Section

17.5 shall survive the expiration or any earlier termination of this Lease. Without limiting the foregoing, if the presence of any Hazardous Material in the Building or otherwise at the Property is caused by any of the Tenant Parties and results in any contamination of any part of the Property or any adjacent property, Tenant shall promptly take all actions at Tenant's sole cost and expense as are necessary to return the Property and/or the Building or any adjacent property to their condition as of the Execution Date, provided that Tenant shall first obtain Landlord's approval of such actions, which approval shall not be unreasonably withheld, conditioned or delayed so long as such actions, in Landlord's reasonable discretion, would not potentially have any adverse effect on the Property, and, in any event, Landlord shall not withhold its approval of any proposed actions which are required by applicable Environmental Laws.

(b) Without limiting the obligations set forth in Section 17.5(a) above, if any Hazardous Material is in, on, under, at or about the Building or the Property as a result of the acts or omissions of any of the Tenant Parties and results in any contamination of any part of the Property or any adjacent property that is in violation of any applicable Environmental Law or that requires the performance of any response action pursuant to any Environmental Law, Tenant shall promptly take all actions at Tenant's sole cost and expense as are necessary to reduce such Hazardous Material to amounts below any applicable Reportable Quantity, any applicable Reportable Concentration and any other applicable standard set forth in Environmental Laws such that no further response actions are required; provided that Tenant shall first obtain Landlord's written approval of such actions, which approval shall not be unreasonably withheld, conditioned or delayed so long as such actions would not be reasonably expected to have an adverse effect on the market value or use of the Property for the Permitted Uses, and in any event, Landlord shall not withhold its approval of any proposed actions which are required by applicable Environmental Laws (such approved actions, "**Tenant's Remediation**").

(c) In the event that Tenant fails to complete Tenant's Remediation prior to the end of the Term, then:

(i) until the completion of Tenant's Remediation (as evidenced by the certification of Tenant's Licensed Site Professional (as such term is defined by applicable Environmental Laws), who shall be reasonably acceptable to Landlord) (the "**Remediation Completion Date**"). Tenant shall pay to Landlord, with respect to the portion of the Premises which reasonably cannot be occupied by a new tenant until completion of Tenant's Remediation, (A) Additional Rent **on** account of Operating Costs and Taxes and (B) Base Rent in an amount equal to the greater of (1) the fair market rental value **of** such portion of the Premises (determined in substantial accordance with the process described in Section 1.2 above), and (2) Base Rent attributable to such portion of the Premises in effect immediately prior to the end of the Term; and

(ii) Tenant shall maintain responsibility for Tenant's Remediation and Tenant shall complete Tenant's Remediation as soon as reasonably practicable in accordance with all Environmental Laws. If Tenant does not diligently pursue completion of Tenant's Remediation, Landlord shall have the right to either (A) assume control for overseeing Tenant's Remediation, in which event Tenant shall pay all reasonable costs and expenses of Tenant's Remediation (it being understood and agreed that all costs and expenses of Tenant's Remediation incurred pursuant to contracts entered into by Tenant shall be deemed reasonable)

within thirty (30) days of demand therefor (which demand shall be made no more often than monthly), and Landlord shall be substituted as the party identified on any governmental filings as the party responsible for the performance of such Tenant's Remediation or (B) require Tenant to maintain responsibility for Tenant's Remediation, in which event Tenant shall complete Tenant's Remediation as soon as reasonably practicable in accordance with all Environmental Laws, it being understood that Tenant's Remediation shall not contain any requirement that Tenant remediate any contamination to levels or standards more stringent than those associated with the Property's current office, research and development, laboratory, and vivarium uses.

(d) The provisions of this Section 17.5 shall survive the expiration or earlier termination of this Lease.

17.6 Disclosures. Prior to bringing (a) any Hazardous Material added to the list of Tenant's Hazardous Materials in accordance with Section 17.1 into any part of the Property for the first time, and/or (b) a quantity of any of Tenant's Hazardous Material into any part of the Property that **is** materially greater than the quantity listed in Exhibit 6 for such Tenant's Hazardous Material, Tenant shall deliver to Landlord the following information with respect thereto to the extent that such information is not already on file with Landlord: (i) a description of handling, storage, use and disposal procedures; (ii) all plans or disclosures and/or emergency response plans which Tenant has prepared, including without limitation Tenant's Spill Response Plan, and all plans which Tenant is required to supply to any governmental agency or authority pursuant to any Environmental Laws; and (iii) other information reasonably requested by Landlord. Tenant shall promptly notify Landlord of any amendments to such procedures, plans, disclosures and/or response plans implemented by Tenant or required by Legal Requirements.

17.7 Removal. Tenant shall be responsible, at its sole cost and expense, for Hazardous Material and other biohazard disposal services for the Premises. Such services shall be performed by contractors reasonably acceptable to Landlord and on a sufficient basis to ensure that the Premises are at all times kept neat, clean and free of Hazardous Materials and biohazards except in appropriate, specially marked containers reasonably approved by Landlord. In addition, if any Legal Requirements or the trash removal company requires that any substances be disposed of separately from ordinary trash, Tenant shall make arrangements at Tenant's expense for such disposal directly with a qualified and licensed disposal company at a lawful disposal site.

18. RULES AND REGULATIONS.

18.1 Rules and Regulations. Tenant will faithfully observe and comply with all rules and regulations promulgated in writing from time to time with respect to the Building, the Property and construction within the Property (collectively, the "**Rules and Regulations**"). The current version of the Rules and Regulations is attached hereto as Exhibit 7. Landlord agrees to enforce the Rules and Regulations against all tenants unaffiliated with Landlord in a uniform and non-discriminatory manner. In the case of any conflict between the provisions of this Lease and any future rules and regulations of which Tenant has written notice, the provisions of this Lease shall control. Nothing contained in this Lease shall be construed to impose upon Landlord any duty or obligation to enforce the Rules and Regulations or the terms, covenants or conditions in any other lease as against any other tenant and Landlord shall not be liable to Tenant for

violation of the same by any other tenant, its servants, employees, agents, contractors, visitors, invitees or licensees.

18.2 Energy Conservation. Notwithstanding anything to the contrary contained herein, Landlord may institute upon reasonable prior written notice to Tenant such policies, programs and measures as may be necessary, required, or expedient for the conservation and/or preservation of energy or energy services (collectively, the "**Conservation Program**"), provided however, that the Conservation Program does not, by reason of such policies, programs and measures, materially reduce the level of energy or energy services being provided to the Premises. Upon receipt of such notice, Tenant shall comply with the Conservation Program.

18.3 Recycling. Upon reasonable prior written notice, Landlord may establish reasonable policies, programs and measures for the recycling of paper, products, plastic, tin and other materials (a "**Recycling Program**"). Upon receipt of such notice, Tenant will comply with the Recycling Program at Tenant's sole cost and expense.

19. LAWS AND PERMITS.

19.1 Legal Requirements. Tenant shall be responsible at its sole cost and expense for complying with (and keeping the Premises in compliance with) all Legal Requirements which are applicable to Tenant's particular use or occupancy of, or Alterations made by or on behalf of Tenant to, the Premises. Tenant shall furnish all data and information to governmental authorities, with a copy to Landlord, as required in accordance with Legal Requirements as they relate to Tenant's use or occupancy of the Premises or the Building. If Tenant receives notice of any violation of Legal Requirements applicable to the Premises or the Building, it shall give prompt notice thereof to Landlord. Nothing contained in this Section 19.1 shall be construed to expand the uses permitted hereunder beyond the Permitted Uses. Landlord shall comply with any Legal Requirements and with any direction of any public office or officer relating to the maintenance or operation of the Building as a first class combination laboratory, research and development and office building, and the costs so incurred by Landlord shall be included in Operating Costs in accordance with the provisions of Section 5.2.

19.2 Required Permits. Tenant shall, at Tenant's sole cost and expense, use diligent good faith efforts to apply for, seek and obtain all necessary state and local licenses, permits and approvals needed for the operation of Tenant's business, but expressly excluding permits for which Landlord is responsible in accordance with Section 3 of this Lease (collectively, the "**Required Permits**"), on or before the Rent Commencement Date, *time being of the essence*. Tenant shall thereafter maintain all Required Permits and the permanent certificate of occupancy for the Premises in accordance with Legal Requirements. Tenant, at Tenant's expense, shall at all times comply with the terms and conditions of each such Required Permit and the permanent certificate of occupancy for the Premises. Landlord shall cooperate with Tenant, at Tenant's sole cost and expense, in connection with its application for Required Permits.

20. DEFAULT.

20.1 Events of Default. The occurrence of any one or more of the following events shall constitute an "**Event of Default**" hereunder by Tenant:

(a) If Tenant fails to make any payment of Rent or any other payment required hereunder, as and when due, and such failure shall continue for a period of five (5) business days after notice thereof from Landlord to Tenant; provided, however, an Event of Default shall occur hereunder without any obligation of Landlord to give any notice if (i) Tenant fails to make any payment within five (5) business days after the due date therefor, and (ii) Landlord has given Tenant written notice under this Section 20.1(a) on more than one (1) occasion during the twelve (12) month interval preceding such failure by Tenant;

(b) If Tenant shall abandon the Premises (whether or not the keys shall have been surrendered or the Rent shall have been paid);

(c) If Tenant shall fail to execute and deliver to Landlord an estoppel certificate pursuant to Section 16 above or a subordination and attornment agreement pursuant to Section 22 below, within the timeframes set forth therein and such failure continues for five (5) days after notice thereof;

(d) If Tenant shall fail to maintain any insurance required hereunder;

(e) If Tenant shall fail to restore the Security Deposit to its original amount or deliver a replacement Letter of Credit as required under Section 7 above;

(f) If Tenant causes or suffers any release of Hazardous Materials in or near the Property in excess of Reportable Quantities or Reportable Concentrations (as such terms are defined in Environmental Laws);

(g) Intentionally omitted;

(h) If Tenant shall fail to timely perform its obligations under Section 3 and such failure continues for fifteen (15) days after receipt of notice thereof;

(i) The failure by Tenant to observe or perform any of the covenants or provisions of this Lease to be observed or performed by Tenant, other than as specified above, and such failure continues for more than thirty (30) days after notice thereof from Landlord; provided, further, that if the nature of Tenant's default is such that more than thirty (30) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant shall commence such cure within said thirty (30) day period and thereafter diligently prosecute such cure to completion, which completion shall occur not later than ninety (90) days from the date of such notice from Landlord;

(j) Intentionally omitted;

(k) Tenant shall make an assignment or trust mortgage, or other conveyance or transfer of like nature, of all or a substantial part of its property for the benefit of its creditors,

(l) an attachment on mesne process, on execution or otherwise, or other legal process shall issue against Tenant or its property and a sale of any of its assets shall be held thereunder;

(m) any judgment, attachment or the like in excess of $100,000 shall be entered, recorded or filed against Tenant in any court, registry, etc. and Tenant shall fail to pay such judgment within thirty (30) days after the judgment shall have become final beyond appeal or to discharge or secure by surety bond such lien, attachment, etc. within thirty (30) days of such entry, recording or filing, as the case may be;

(n) the leasehold hereby created shall be taken on execution or by other process of law and shall not be revested in Tenant within thirty (30) days thereafter;

(o) (o) a receiver, sequesterer, trustee or similar officer shall be appointed by a court of competent jurisdiction to take charge of all or any part of Tenant's Property and such appointment shall not be vacated within thirty (30) days; or

(p) any proceeding shall be instituted by or against Tenant pursuant to any of the provisions of any Act of Congress or State law relating to bankruptcy, reorganizations, arrangements, compositions or other relief from creditors, and, in the case of any proceeding instituted against it, if Tenant shall fail to have such proceedings dismissed within thirty (30) days or if Tenant is adjudged bankrupt or insolvent as a result of any such proceeding.

Tenant shall reimburse Landlord, within thirty (30) days after demand, for up to $1,000.00 of Landlord's reasonable out-of-pocket costs and expenses (including without limitation legal fees and costs) incurred in connection with the preparation and delivery of each notice of default delivered pursuant to this Section 20.1.

20.2 Remedies. Upon an Event of Default, Landlord may, by notice to Tenant, elect to terminate this Lease; and thereupon (and without prejudice to any remedies which might otherwise be available for arrears of Rent or preceding breach of covenant or agreement and without prejudice to Tenant's liability for damages as hereinafter stated), upon the giving of such notice, this Lease shall terminate as of the date specified therein as though that were the Expiration Date. Upon such termination, Landlord shall have the right to utilize the Security Deposit or draw down the entire Letter of Credit, as applicable, and apply the proceeds thereof to its damages hereunder in accordance with Section 7 hereof. Without being taken or deemed to be guilty of any manner of trespass or conversion, and without being liable to indictment, prosecution or damages therefor, Landlord may, by lawful process, enter into and upon the Premises (or any part thereof in the name of the whole); repossess the same, as of its former estate; and expel Tenant and those claiming under Tenant. The words "re-entry" and "re-enter" as used in this Lease are not restricted to their technical legal meanings.

20.3 Damages - Termination.

(a) Upon the termination of this Lease under the provisions of this Section 20, Tenant shall pay to Landlord Rent up to the time of such termination, shall continue to be liable for any preceding breach of covenant, and in addition, shall pay to Landlord as damages, at the election of Landlord, either:

(i) the amount (discounted to present value at the rate of five percent (5%) per annum) by which, at the time of the termination of this Lease (or at any time thereafter if Landlord shall have initially elected damages under Section 20.3(a)(ii) below), (x) the

aggregate of Rent projected over the period commencing with such termination and ending on the Expiration Date, exceeds (y) the aggregate projected rental value of the Premises for such period, taking into account a reasonable time period during which the Premises shall be unoccupied, plus all Reletting Costs (hereinafter defined); or

(ii) amounts equal to Rent which would have been payable by Tenant had this Lease not been so terminated, payable upon the due dates therefor specified herein following such termination and until the Expiration Date, *provided, however,* if Landlord shall re-let the Premises during such period, that Landlord shall credit Tenant with the net rents received by Landlord from such re-letting (including without limitation reimbursement for Operating Costs, Taxes and other expenses under this Lease), such net rents to be determined by first deducting from the gross rents as and when received by Landlord from such re-letting the expenses incurred or paid by Landlord in terminating this Lease, as well as the expenses incurred or paid by Landlord in re-letting, including altering and preparing the Premises for new tenants, brokers' commissions, and all other similar and dissimilar non-reimbursed expenses properly chargeable against the Premises and the rental therefrom (collectively, "**Reletting Costs**"), it being understood that any such re-letting may be for a period equal to or shorter or longer than the remaining Term; and *provided, further,* that (x) in no event shall Tenant be entitled to receive any excess of such net rents over the sums payable by Tenant to Landlord hereunder and (y) in no event shall Tenant be entitled in any suit for the collection of damages pursuant to this Section 20.3(a)(ii) to a credit in respect of any net rents from a re-letting except to the extent that such net rents are actually received by Landlord prior to the commencement of such suit. If the Premises or any part thereof should be re-let in combination with other space, then proper apportionment on a square foot area basis shall be made of the rent received from such re-letting and of the expenses of re-letting.

(b) For the avoidance of doubt, in calculating the amount due under Section 20.3(a)(i), above, there shall be included, in addition to the Base Rent, all other considerations to be paid or performed by Tenant during the Term under this Lease, including without limitation Tenant's Share of Operating Costs and Tenant's Tax Share of Taxes. Such calculation shall be made on the assumption that all such considerations would have increased at the rate of three percent (3%) per annum for the balance of the full term hereby granted. Suit or suits for the recovery of such damages, or any installments thereof, may be brought by Landlord from time to time at its election, and nothing contained herein shall be deemed to require Landlord to postpone suit until the date when the Term would have expired if it had not been terminated hereunder.

(c) Nothing herein contained shall be construed as limiting or precluding the recovery by Landlord against Tenant of any sums or damages to which, in addition to the damages particularly provided above, Landlord may lawfully be entitled by reason of any Event of Default hereunder; provided, however, that Landlord shall in no event be entitled to collect twice for any of the sums or damages accounted for above.

(d) Landlord shall use reasonable efforts to mitigate its damages hereunder following any termination of this Lease pursuant to this Section 20 or any termination of Tenant's possession of the Premises. The obligation of Landlord to use reasonable efforts to mitigate damages shall not be construed to require Landlord to rent all or any portion of the

Premises for a use which, or to a tenant who, would not qualify pursuant to the assignment provisions of this Lease, or to prioritize the renting of the Premises over other space which Landlord may have available in the Building or in other properties owned by Landlord or Landlord's affiliates.

20.4 Landlord's Self-Help; Fees and Expenses. If Tenant shall fail to perform any obligation on Tenant's part to be performed in this Lease contained, including without limitation the obligation to maintain the Premises in the required condition pursuant to Section 10.1 above, and such failure continues beyond the expiration of the cure periods set forth in Section 20.1 or constitutes an emergency or a violation of Legal Requirements that would subject Landlord to any fine or penalty or poses imminent risk of injury, loss or damage, Landlord may, upon reasonable advance notice, except that no notice shall be required in an emergency, immediately, or at any time thereafter, perform the same for the account of Tenant. Tenant shall pay to Landlord upon demand therefor any reasonable costs incurred by Landlord in connection therewith, together with interest at the Default Rate until paid in full. In addition, Tenant shall pay all of Landlord's reasonable costs and expenses, including without limitation reasonable attorneys' fees, incurred (i) in enforcing any obligation of Tenant under this Lease or (ii) as a result of Landlord or any of the Landlord Parties, without its fault or negligence, being made party to any litigation pending by or against any of the Tenant Parties.

20.5 Waiver of Redemption, Statutory Notice and Grace Periods. Tenant does hereby waive and surrender all rights and privileges which it might have under or by reason of any present or future Legal Requirements to redeem the Premises or to have a continuance of this Lease for the Term hereby demised after being dispossessed or ejected therefrom by process of law or under the terms of this Lease or after the termination of this Lease as herein provided. Except to the extent prohibited by Legal Requirements, any statutory notice and grace periods provided to Tenant by law are hereby expressly waived by Tenant.

20.6 Landlord's Remedies Not Exclusive. The specified remedies to which Landlord may resort hereunder are cumulative and are not intended to be exclusive of any remedies or means of redress to which Landlord may at any time be lawfully entitled, and Landlord may invoke any remedy (including the remedy of specific performance) allowed at law or in equity as if specific remedies were not herein provided for.

20.7 No Waiver. Landlord's failure to seek redress for violation, or to insist upon the strict performance, of any covenant or condition of this Lease, or any of the Rules and Regulations promulgated hereunder, shall not prevent a subsequent act, which would have originally constituted a violation, from having all the force and effect of an original violation. The receipt by Landlord of Rent with knowledge of the breach of any covenant of this Lease shall not be deemed a waiver of such breach. The failure of Landlord to enforce any of such Rules and Regulations against Tenant and/or any other tenant in the Building shall not be deemed a waiver of any such Rules and Regulations. No provisions of this Lease shall be deemed to have been waived by either party unless such waiver is in writing signed by such party. No payment by Tenant or receipt by Landlord of a lesser amount than the Rent herein stipulated shall be deemed to be other than on account of the stipulated Rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as Rent be deemed an accord and satisfaction, and Landlord may accept such check or payment

without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy in this Lease provided.

20.8 Restrictions on Tenant's Rights. During the continuation of any Event of Default, (a) Landlord shall not be obligated to provide Tenant with any notice pursuant to Sections 2.3 and 2.4 above; and (b) Tenant shall not have the right to make, nor to request Landlord's consent or approval with respect to, any Alterations.

20.9 Landlord Default. Notwithstanding anything to the contrary contained in the Lease, Landlord shall in no event be in default in the performance of any of Landlord's obligations under this Lease unless Landlord shall have failed to perform such obligations within thirty (30) days (or such additional time as is reasonably required to correct any such default, provided Landlord commences cure within 30 days) after notice by Tenant to Landlord properly specifying wherein Landlord has failed to perform any such obligation. After receipt of any default notice from Tenant, Landlord shall use commercially reasonable efforts to cure any default by Landlord with diligence. Except as expressly set forth in this Lease, Tenant shall not have the right to terminate or cancel this Lease or to withhold rent or to set-off or deduct any claim or damages against rent as a result of any default by Landlord or breach by Landlord of its covenants or any warranties or promises hereunder, except in the case of a wrongful eviction of Tenant from the Premises (constructive or actual) by Landlord, unless same continues after notice to Landlord thereof and a opportunity for Landlord to cure the same as set forth above. In addition, Tenant shall not assert any right to deduct the cost of repairs from rent thereafter due and payable under this Lease.

21. SURRENDER; ABANDONED PROPERTY; HOLD-OVER.

21.1 Surrender

(a) Upon the expiration or earlier termination of the Term, Tenant shall (i) peaceably quit and surrender to Landlord the Premises (including without limitation all lab benches paid for in whole or in part by Landlord (the "**Surrendered Lab Benches**") and all fume hoods, electric, plumbing, heating and sprinkling systems, fixtures and outlets, vaults, paneling, molding, shelving, radiator enclosures, cork, rubber, linoleum and composition floors, ventilating, silencing, air conditioning and cooling equipment therein) broom clean, in good order, repair and condition excepting only ordinary wear and tear and damage by fire or other insured Casualty; (ii) remove all of Tenant's Property, all autoclaves and cage washers and, to the extent specified by Landlord in accordance with Section 11 above, Alterations made by Tenant; and (iii) repair any damages to the Premises or the Building caused by the installation or removal of Tenant's Property and/or such Alterations. Tenant's obligations under this Section 21.1(a) shall survive the expiration or earlier termination of this Lease. From time to time, Landlord and Tenant shall execute such agreements as may be reasonably necessary to identify the Surrendered Lab Benches, provided, however, that the failure to execute such agreements shall not alter or otherwise modify Tenant's obligations herein.

(b) At least thirty (30) days prior to the expiration of the Term (or, if applicable, within five (5) business days after any earlier termination of this Lease), Tenant shall deliver to Landlord a narrative description of the actions proposed (or required by any Legal

Requirements) to be taken by Tenant in order to render the Premises (including, without limitation, floors, walls, ceilings, counters, piping, supply lines, waste lines and plumbing in or serving the Premises and all exhaust or other ductwork in or serving the Premises) free of Hazardous Materials and otherwise released for unrestricted use and occupancy (the "**Surrender Plan**"). The Surrender Plan (i) shall be accompanied by a current list of (A) all local, state and federal licenses, permits and approvals held by or on behalf of any Tenant Party with respect to Hazardous Materials in, on, under, at or about the Premises, and (B) Tenant's Hazardous Materials, and (ii) shall be subject to the review and reasonable approval of Landlord's environmental consultant. In connection with review and approval of the Surrender Plan, upon request of Landlord, Tenant shall deliver to Landlord or its consultant such additional non-proprietary information concerning the use of and operations within the Premises as Landlord shall reasonably request. On or before the expiration of the Term (or within thirty (30) days after any earlier termination of this Lease, during which period Tenant's use and occupancy of the Premises shall be governed by Section 21.3 below), Tenant shall (i) perform or cause to be performed all actions described in the approved Surrender Plan, and (ii) deliver to Landlord a certification from a certified industrial hygienist reasonably acceptable to Landlord certifying that the Premises do not contain any Hazardous Materials and evidence that the approved Surrender Plan shall have been satisfactorily completed by a contractor reasonably acceptable to Landlord, and Landlord shall have the right to cause Landlord's environmental consultant to inspect the Premises and perform such additional procedures as may be deemed reasonably necessary to confirm that the Premises are, as of the expiration of the Term (or, if applicable, the date which is thirty (30) days after any earlier termination of this Lease), free of Hazardous Materials and otherwise available for unrestricted use and occupancy. Landlord shall have the unrestricted right to deliver the Surrender Plan and any report by Landlord's environmental consultant with respect to the surrender of the Premises to third parties. Such third parties and the Landlord Parties shall be entitled to rely on the Surrender Report. If Tenant shall fail to prepare or submit a Surrender Plan approved by Landlord, or if Tenant shall fail to complete the approved Surrender Plan, or if such Surrender Plan, whether or not approved by Landlord, shall fail to adequately address the use of Hazardous Materials by any of the Tenant Parties in, on, at, under or about the Premises, (A) Landlord shall have the right to take any such actions as Landlord may deem reasonable or appropriate to assure that the Premises and the Property are surrendered in the condition required hereunder, the cost of which actions shall be reimbursed by Tenant as Additional Rent within thirty (30) days after demand; and (B) if the Term shall have ended, unless and until Landlord elects to take such actions to assure that the Premises are surrendered in the condition required hereunder, Tenant shall be deemed to be a holdover

tenant subject to the provisions of Section 21.3 below until the date on which Tenant delivers the Surrender Report (in the form required hereunder) to Landlord. Tenant's obligations under this Section 21.1(b) shall survive the expiration or earlier termination of the Term.

(c) No act or thing done by Landlord during the Term shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept such surrender shall be valid, unless in writing signed by Landlord. Unless otherwise agreed by the parties in writing, no employee of Landlord or of Landlord's agents shall have any power to accept the keys of the Premises prior to the expiration or earlier termination of this Lease. The delivery of keys to any employee of Landlord or of Landlord's agents shall not operate as a termination of this Lease or a surrender of the Premises.

(d) Notwithstanding anything to the contrary contained herein, Tenant shall, at its sole cost and expense, remove from the Premises, prior to the end of the Term, any item installed by or for Tenant and which, pursuant to Legal Requirements, must be removed therefrom before the Premises may be used by a subsequent tenant.

(e) Tenant hereby assigns to Landlord any warranties in effect on the last day of the Term with respect to any fixtures and Alterations installed in the Premises. Tenant shall provide Landlord with copies of any such warranties prior to the expiration of the Term (or, if the Lease is earlier terminated, within thirty (30) days thereafter).

21.2 Abandoned Property. After the expiration or earlier termination hereof, if Tenant fails to remove any property from the Building or the Premises which Tenant is obligated by the terms of this Lease to remove within five (5) business days after written notice from Landlord, such property (the "**Abandoned Property**") shall be conclusively deemed to have been abandoned, and may either be stored at Tenant's cost, or retained by Landlord as its property or sold or otherwise disposed of in such manner as Landlord may see fit. If any item of Abandoned Property shall be sold, Tenant hereby agrees that Landlord may receive and retain the proceeds of such sale and apply the same, at its option, to the expenses of the sale, the cost of moving and storage, any damages to which Landlord may be entitled under Section 20 hereof or pursuant to law, and to any arrears of Rent.

21.3 Holdover. If any of the Tenant Parties holds over after the end of the Term, Tenant shall be deemed a tenant-at-sufferance subject to the provisions of this Lease; provided that whether or not Landlord has previously accepted payments of Rent from Tenant, (i) Tenant shall pay Base Rent at 150% of the highest rate of Base Rent payable during the Term, (ii) Tenant shall continue to pay to Landlord all additional rent, and (iii) if such holdover continues for more than five (5) business days, Tenant shall be liable for all damages, including without limitation lost business and consequential damages, incurred by Landlord as a result of such holding over, Tenant hereby acknowledging that Landlord may need the Premises after the end of the Term for other tenants and that the damages which Landlord may suffer as the result of Tenant's holding over cannot be determined as of the Execution Date. Nothing contained herein shall grant Tenant the right to holdover after the expiration or earlier termination of the Term.

22. MORTGAGEE RIGHTS.

22.1 Subordination. Tenant's rights and interests under this Lease shall be (i) subject and subordinate to any ground lease (including without limitation the Ground Lease), and to any mortgages, deeds of trust, overleases, or similar instruments covering the Premises, the Building and/or the Land and to all advances, modifications, renewals, replacements, and extensions thereof (each of the foregoing, a "**Mortgage**"), or (ii) if any Mortgagee elects, prior to the lien of any present or future Mortgage. Tenant further shall attorn to and recognize any successor landlord, whether through foreclosure or otherwise, as if the successor landlord were the originally named landlord. The provisions of this Section 22.1 shall be self-operative and no further instrument shall be required to effect such subordination or attornment; however, Tenant agrees to execute, acknowledge and deliver such instruments, confirming such subordination and attornment in such form as shall be requested by any such holder within fifteen (15) days of

request therefor. Landlord shall request that any Mortgagee execute a so-called subordination, non-disturbance and attornment agreement with respect to this Lease.

22.2 Notices. Tenant shall give each Mortgagee of which Tenant has written notice the same notices given to Landlord concurrently with the notice to Landlord, and each Mortgagee shall have a reasonable opportunity thereafter to cure a Landlord default, and Mortgagee's curing of any of Landlord's default shall be treated as performance by Landlord.

22.3 Mortgagee Liability. Tenant acknowledges and agrees that if any Mortgage shall be foreclosed, (a) the liability of the Mortgagee and its successors and assigns shall exist only so long as such Mortgagee or purchaser is the owner of the Premises, and such liability shall not continue or survive after further transfer of ownership; and (b) such Mortgagee and its successors or assigns shall not be (i) liable for any act or omission of any prior lessor under this Lease; (ii) liable for the performance of Landlord's covenants pursuant to the provisions of this Lease which arise and accrue prior to such entity succeeding to the interest of Landlord under this Lease or acquiring such right to possession; (iii) subject to any offsets or defense which Tenant may have at any time against Landlord; (iv) bound by any base rent or other sum which Tenant may have paid previously for more than one (1) month; or (v) liable for the performance of any covenant of Landlord under this Lease which is capable of performance only by the original Landlord.

22.4 Ground Lease.

(a) Simultaneously with the execution of this Lease, Landlord, Tenant and Fee Owner shall execute an agreement in substantially the form attached hereto as Exhibit 9.

(b) Landlord hereby represents and warrants to Tenant, as of the Execution Date, that (i) the copy of the Ground Lease provided to Tenant is, subject to redaction of certain economic terms, a complete and accurate copy of the Ground Lease, (ii) the Ground Lease has not been amended, (iii) the Ground Lease is in full force and effect and there exists no default or state of facts which, with the giving of notice or passage of time, or both, would constitute a default thereunder or permit either party to terminate the Ground Lease, and (iv) the consent by or approval of Fee Owner with respect to the execution of this Lease is not required under the Ground Lease.

(c) Landlord hereby covenants (i) to promptly perform its obligations under the Ground Lease and not to cause a default under the Ground Lease, and (ii) not to amend the Ground Lease in any way that materially adversely affects Tenant's rights or obligations under this Lease.

23. QUIET ENJOYMENT. Landlord covenants that so long as Tenant keeps and performs each and every covenant, agreement, term, provision and condition herein contained on the part and on behalf of Tenant to be kept and performed, Tenant shall peaceably and quietly hold, occupy and enjoy the Premises during the Term from and against the claims of all persons lawfully claiming by, through or under Landlord subject, nevertheless, to the covenants, agreements, terms, provisions and conditions of this Lease, any matters of record or of which

Tenant has knowledge and to any Mortgage to which this Lease is subject and subordinate, as hereinabove set forth.

24. NOTICES. Any notice, consent, request, bill, demand or statement hereunder (each, a "**Notice**") by either party to the other party shall be in writing and shall be deemed to have been duly given when either delivered by hand or by nationally recognized overnight courier (in either case with evidence of delivery or refusal thereof) addressed as follows:

If to Landlord: 620 Memorial Leasehold LLC
c/o MIT Investment Management Company
238 Main Street, Suite 200
Cambridge, MA 02142
Attention: Steven C. Marsh

With copies to: Goulston & Storrs
400 Atlantic Avenue
Boston, MA 02110
Attention: Colleen P. Hussey, Esquire

and

Colliers International
336 Main Street
Cambridge, MA 02142
Attention: Kristina Descoteaux

if to Tenant: Scholar Rock, Inc.
300 Third Street, 4th Floor
Cambridge, MA 02142
Attention: Elan Z. Ezickson, COO

With copies to: Anderson & Kreiger LLP
One Canal Park
Cambridge, MA 02141
Attention: Ryan D. Pace, Esquire

and

Scholar Rock, Inc.
300 Third Street, 4th Floor
Cambridge, MA 02142
Attention: Scott W. Murphy, Sr. Director, Finance

Notwithstanding the foregoing, any notice from Landlord to Tenant regarding ordinary business operations (e.g., exercise of a right of access to the Premises, maintenance activities, invoices, etc.) may also **be** given by written notice delivered by hand or by facsimile to any person at the Premises whom Landlord reasonably believes is authorized to receive such notice on behalf of Tenant without copies as specified above. Either party may at any time change the address or specify an additional address for such Notices by delivering or mailing, as aforesaid, to the other party a notice stating the change and setting forth the changed or additional address, provided

such changed or additional address is within the United States. Notices shall be effective upon the date of receipt or refusal thereof.

25. MISCELLANEOUS.

25.1 Separability. If any provision of this Lease or portion of such provision or the application thereof to any person or circumstance is for any reason held invalid or unenforceable, the remainder of this Lease (or the remainder of such provision) and the application thereof to other persons or circumstances shall not be affected thereby.

25.2 Captions. The captions are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Lease nor the intent of any provisions thereof.

25.3 Broker. Tenant and Landlord each warrants and represents that it has dealt with no broker in connection with the consummation of this Lease other than Transwestern/RBJ and Cushman & Wakefield (collectively, "**Broker**"). Tenant and Landlord each agrees to defend, indemnify and save the other harmless from and against any Claims arising in breach of the representation and warranty set forth in the immediately preceding sentence. Landlord shall be solely responsible for the payment of any brokerage commissions to Broker.

25.4 Entire Agreement. This Lease, Lease Summary Sheet and Exhibits 1-8 attached hereto and incorporated herein contain the entire and only agreement between the parties and any and all statements and representations, written and oral, including previous correspondence and agreements between the parties hereto, are merged herein. Tenant acknowledges that all representations and statements upon which it relied in executing this Lease are contained herein and that Tenant in no way relied upon any other statements or representations, written or oral. This Lease may not be modified orally or in any manner other than by written agreement signed by the parties hereto.

25.5 Governing Law. This Lease is made pursuant to, and shall be governed by, and construed in accordance with, the laws of the Commonwealth of Massachusetts and any applicable local municipal rules, regulations, by-laws, ordinances and the like.

25.6 Representation of Authority. By his or her execution hereof, each of the signatories on behalf of the respective parties hereby warrants and represents to the other that he or she is duly authorized to execute this Lease on behalf of such party. Upon Landlord's request, Tenant shall provide Landlord with evidence that any requisite resolution, corporate authority and any **other** necessary consents have been duly adopted and obtained.

25.7 Expenses Incurred by Landlord Upon Tenant Requests. Tenant shall, within thirty (30) days after demand, reimburse Landlord for all reasonable expenses, including, without limitation, legal fees, incurred by Landlord in connection with all requests by Tenant for consents, approvals or execution of collateral documentation related to this Lease, including, without limitation, costs incurred by Landlord in the review and approval of Tenant's plans and specifications in connection with proposed Alterations to be made by Tenant to the Premises or in connection with requests by Tenant for Landlord's consent to make a Transfer. Such costs shall be deemed to be additional rent under this Lease.

25.8 Survival. Without limiting any other obligation which may survive the expiration or prior termination of the Term, all obligations on the part of each party to indemnify, defend, or hold **the** other harmless, as set forth in this Lease shall survive the expiration or prior termination of the Term.

25.9 Limitation of Liability. Tenant shall neither assert nor seek to enforce any claim against Landlord or any of the Landlord Parties, or the assets of any of the Landlord Parties, for breach of this Lease or otherwise, other than against Landlord's interest in the Building and in the uncollected rents, issues and profits thereof, and Tenant agrees to look solely to such interest for the satisfaction of any liability of Landlord under this Lease. This Section 26.9 shall not limit any right that Tenant might otherwise have to obtain injunctive relief against Landlord. **Landlord and Tenant specifically agree that in no event shall (a) any officer, director, trustee, employee or representative of Landlord or any of the other Landlord Parties ever be personally liable for any obligation under this Lease, (b) Landlord or any of the other Landlord Parties be liable for consequential, punitive or incidental damages or for lost profits whatsoever in connection with this Lease, (c) any officer, director, trustee, employee or representative of Tenant or any of the other Tenant Parties ever be personally liable for any obligation under this Lease, or (d) Tenant or any of the other Tenant Parties be liable for consequential, punitive or incidental damages or for lost profits whatsoever in connection with this Lease except for such damages arising as a result of Tenant's breach of its obligations under Section 21.3.**

25.10 Binding Effect. The covenants, agreements, terms, provisions and conditions of this Lease shall bind and benefit the successors and assigns of the parties hereto with the same effect as if mentioned in each instance where a party hereto is named or referred to, except that no violation of the provisions of Section 13 hereof shall operate to vest any rights in any successor or assignee of Tenant.

25.11 Landlord Obligations upon Transfer. Upon any sale, transfer or other disposition of the Building, Landlord shall be entirely freed and relieved from the performance and observance thereafter of all covenants and obligations hereunder on the part of Landlord to be performed and observed, it being understood and agreed in such event (and it shall be deemed and construed as a covenant running with the land) that the person succeeding to Landlord's ownership of said reversionary interest shall thereupon and thereafter assume, and perform and observe, any and all of such covenants and obligations of Landlord, except as otherwise agreed in writing.

25.12 No Grant of Interest. Tenant shall not grant any security interest whatsoever in (a) any fixtures within the Premises or (b) any item paid in whole or in part by Landlord without the consent of Landlord.

25.13 No Air Rights. No rights to any view or to light or air over any property, whether belonging to Landlord or any other person, are granted to Tenant by this Lease. If at any time any windows of the Premises are temporarily darkened or the light therefrom is obstructed by reason of any repairs, improvements, maintenance or cleaning in or about the Property, the same shall be without liability to Landlord and without any reduction or diminution of Tenant's obligations under this Lease.

25.14 Financial Information. Tenant shall deliver to Landlord, within thirty (30) days after Landlord's reasonable request (which request shall be made no more often than twice per calendar year), Tenant's most recently completed balance sheet and related statements of income, shareholder's equity and cash flows statements (audited if available) reviewed by an independent certified public accountant and certified by an officer of Tenant as being true and correct in all material respects. Any such financial information may be relied upon by any actual or potential lessor, purchaser, or mortgagee of the Property or any portion thereof.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF the parties hereto have executed this Lease as a sealed instrument of the Execution Date.

LANDLORD

620 MEMORIAL LEASEHOLD LLC

By: _____
Name:
Title:

TENANT

SCHOLAR ROCK, INC,

By: _____
Name:
Title:

EXHIBIT 1

LEASE PLAN

EXHIBIT 2

LEGAL DESCRIPTION

Parcel 1:

The land with the buildings thereon in Cambridge, Middlesex County, Massachusetts situated on the northerly side of Memorial Drive and the westerly side of Vassar Street, now known as and numbered 620 Memorial Drive, and shown as the parcel marked “AREA = 44,677 +1- SF” on a plan entitled “Plan of Land in Cambridge, MA Middlesex County”, prepared by Beals and Thomas, Inc., dated January 28, 1994 recorded with the Middlesex South Deeds on February 17, 1994 as Plan No. 134 of 1994 and bounded and described according to said plan as follows:

SOUTHERLY:	by Memorial Drive by two curved lines, measuring respectively, 4.62 feet and 196.73 feet;
WESTERLY:	by land now or formerly of Massachusetts Institute of Technology LC No. 2495C, 143.97 feet;
NORTHWESTERLY and NORTHERLY:	by the southeasterly and southerly lines of a strip of land marked “Railroad Way” on said plan, four lines, the third of which is a curved line, measuring respectively 30.28 feet, 66.70 feet, 105.51 feet and 70.51 feet;
SOUTHEASTERLY and EASTERLY:	by Vassar Street and by two lines, the first of which is a curved line, measuring respectively, 84.20 feet and 148.20 feet; and
SOUTHEASTERLY:	by the intersection of Vassar Street and Memorial Drive by a curved line, 23.50 feet.

Parcel 2:

A parcel of land on Memorial Drive, formerly Charles River Parkway, in Cambridge, Middlesex County, Massachusetts, shown as Lot 3 on a plan entitled “Subdivision Plan of Land in Cambridge” by W.T. Fairclough, dated June 23,1953, filed for registration with the Middlesex County South Registry District of the Land Court as Plan No., 2495C with Certificate of Title No. 78992, bounded and described as follows:

NORTHWESTERLY:	by Lot 2 on said plan, 183.78 feet;
EASTERLY:	by land formerly of Benjamin F. Brown et al., 143.97 feet; and
SOUTHERLY:	by Memorial Drive (Charles River Road as shown on said plan), 139.13 feet.

Together with the benefit of and subject to the terms of, a Grant of Easement from the City of Cambridge to Charles River Building Limited Partnership dated January 9, 1997, and recorded on January 17,1997, as Instrument No. 268 in Book 26997, Page 351.

For title, see Certificate of Title 78991.

EXHIBIT 3

EXHIBIT 4

FORM OF LETTER OF CREDIT

STANDBY L/C DRAFT LANGUAGE

IRREVOCABLE STANDBY LETTER OF CREDIT NO.

DATE: _____

BENEFICIARY:

APPLICANT:

AMOUNT: US$ .00 (U.S. DOLLARS)

EXPIRATION DATE: (ONE YEAR FROM ISSUANCE)

LOCATION: AT OUR COUNTERS IN

DEAR SIR/MADAM:

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. IN YOUR FAVOR AVAILABLE BY YOUR DRAFTS DRAWN ON US AT SIGHT IN THE FORM OF EXHIBIT "A" ATTACHED AND ACCOMPANIED BY THE FOLLOWING DOCUMENTS:

1. THE ORIGINAL OF THIS LETTER OF CREDIT AND ALL AMENDMENT(S), IF ANY.

PARTIAL DRAWS ARE ALLOWED. THIS LETTER OF CREDIT MUST ACCOMPANY ANY DRAWINGS HEREUNDER FOR ENDORSEMENT OF THE DRAWING AMOUNT AND WILL BE RETURNED TO THE BENEFICIARY UNLESS IT IS FULLY UTILIZED.

DRAFT(S) AND DOCUMENTS MUST INDICATE THE NUMBER AND DATE OF THIS LETTER OF CREDIT.

THIS LETTER OF CREDIT SHALL BE AUTOMATICALLY EXTENDED FOR AN ADDITIONAL PERIOD OF ONE YEAR, WITHOUT AMENDMENT, FROM THE PRESENT OR EACH FUTURE EXPIRATION DATE UNLESS AT LEAST 60 DAYS PRIOR TO THE THEN CURRENT EXPIRATION DATE WE SEND YOU A NOTICE BY REGISTERED MAIL OR OVERNIGHT COURIER SERVICE AT THE ABOVE ADDRESS THAT THIS LETTER OF CREDIT WILL NOT BE EXTENDED BEYOND THE CURRENT EXPIRATION DATE. IN NO EVENT SHALL THIS LETTER OF CREDIT BE AUTOMATICALLY EXTENDED BEYOND [NOTE: SHOULD BE NO EARLIER THAN 5 YEARS AND 8.5 MONTHS AFTER DATE OF ISSUANCE] WHICH SHALL BE THE FINAL EXPIRATION DATE OF THIS LETTER OF CREDIT. COPIES OF ALL SUCH NOTICES FROM US HEREUNDER SHALL ALSO BE SENT IN THE SAME MANNER TO GOULSTON AND STORRS PC, 400 ATLANTIC AVENUE, BOSTON, MA 02110, ATTENTION: COLLEEN P. HUSSEY, ESQ. IN THE EVENT THAT THIS LETTER

OF CREDIT IS NOT EXTENDED FOR AN ADDITIONAL PERIOD AS PROVIDED ABOVE, BENEFICIARY MAY DRAW THE ENTIRE AMOUNT AVAILABLE HEREUNDER BY MEANS OF YOUR DRAFT(S) AT SIGHT DRAWN ON [NAME OF ISSUER].

THIS LETTER OF CREDIT IS TRANSFERABLE UPON BENEFICIARY'S REQUEST BY THE ISSUING BANK ONE OR MORE TIMES BUT IN EACH INSTANCE TO A SINGLE BENEFICIARY AND ONLY IN ITS ENTIRETY UP TO THE THEN AVAILABLE AMOUNT IN FAVOR OF ANY NOMINATED TRANSFEREE ASSUMING SUCH TRANSFER TO SUCH TRANSFEREE WOULD BE IN COMPLIANCE WITH THEN APPLICABLE LAW AND REGULATIONS, INCLUDING BUT NOT LIMITED TO THE REGULATIONS OF THE U.S. DEPARTMENT OF TREASURY AND U.S. DEPARTMENT OF COMMERCE. AT THE TIME OF TRANSFER, THE ORIGINAL LETTER OF CREDIT AND ORIGINAL AMENDMENT(S), IF ANY, MUST BE SURRENDERED TO US TOGETHER WITH OUR LETTER OF TRANSFER DOCUMENTATION (IN THE FORM OF EXHIBIT "B" ATTACHED HERETO) AND OUR TRANSFER FEE OF ¼ OF 1% OF THE TRANSFER AMOUNT (MINIMUM $250.00) SHALL BE PAID BY THE APPLICANT. ANY TRANSFER OF THIS LETTER OF CREDIT MAY NOT CHANGE THE PLACE OF EXPIRATION OF THE LETTER OF CREDIT FROM OUR ABOVE-SPECIFIED OFFICE. EACH TRANSFER SHALL BE EVIDENCED BY OUR ENDORSEMENT ON THE REVERSE OF THE ORIGINAL LETTER OF CREDIT AND WE SHALL FORWARD THE ORIGINAL LETTER OF CREDIT TO THE TRANSFEREE.

IF THE ORIGINAL OF THIS STANDBY LETTER OF CREDIT NO._IS LOST, STOLEN OR DESTROYED, WE WILL ISSUE YOU A "CERTIFIED TRUE COPY" OF THIS STANDBY LETTER OF CREDIT NO._UPON OUR RECEIPT OF YOUR INDEMNITY LETTER TO [NAME OF ISSUER] WHICH WILL BE SENT TO YOU UPON OUR RECEIPT OF YOUR WRITTEN REQUEST THAT THIS STANDBY LETTER OF CREDIT NO._IS LOST, STOLEN OR DESTROYED. IF THE ORIGINAL OF THIS STANDBY LETTER OF CREDIT NO._IS MUTILATED, WE WILL ISSUE YOU A

REPLACEMENT STANDBY LETTER OF CREDIT WITH THE SAME NUMBER, DATE AND TERMS AS THE ORIGINAL UPON OUR RECEIPT OF THE MUTILATED STANDBY LETTER OF CREDIT.

THIS STANDBY LETTER OF CREDIT MAY ALSO BE CANCELLED PRIOR TO ANY PRESENT OR FUTURE EXPIRATION DATE, UPON RECEIPT BY [NAME OF ISSUER] BY OVERNIGHT COURIER OR REGISTERED MAIL (RETURN RECEIPT REQUESTED) OF THE ORIGINAL STANDBY LETTER OF CREDIT AND ALL AMENDMENTS (IF ANY) FROM BENEFICIARY TOGETHER WITH A STATEMENT SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE BENEFICIARY ON COMPANY LETTERHEAD STATING THAT THIS STANDBY LETTER OF CREDIT IS NO LONGER REQUIRED AND IS BEING RETURNED FOR CANCELLATION.

ALL DEMANDS FOR PAYMENT SHALL BE MADE BY PRESENTATION OF THE ORIGINAL APPROPRIATE DOCUMENTS ON A BUSINESS DAY AT OUR OFFICE (THE "**BANK'S OFFICE**") AT , OR BY FACSIMILE TRANSMISSION AT ( ) ; AND SIMULTANEOUSLY UNDER TELEPHONE ADVICE TO: ( ) - OR ( ) - ATTENTION: , WITH ORIGINALS TO FOLLOW BY OVERNIGHT COURIER SERVICE; PROVIDED,

HOWEVER, THE BANK WILL DETERMINE HONOR OR DISHONOR ON THE BASIS OF PRESENTATION BY FACSIMILE ALONE, AND WILL NOT EXAMINE THE ORIGINALS.

IF DEMAND FOR PAYMENT IS PRESENTED BY 10 A.M. CALIFORNIA TIME AND CONFORMS TO THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT, PAYMENT SHALL BE MADE BY BANK TO YOU OF THE AMOUNT SPECIFIED IN IMMEDIATELY AVAILABLE FUNDS NOT LATER THAN THE SECOND FOLLOWING BUSINESS DAY. IF DEMAND FOR PAYMENT IS PRESENTED BY YOU HEREUNDER AFTER THE TIME SPECIFIED ABOVE, AND CONFORMS TO THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT, PAYMENT SHALL BE MADE TO YOU OF THE AMOUNT SPECIFIED IN IMMEDIATELY AVAILABLE FUNDS NO LATER THAN THE THIRD FOLLOWING BUSINESS DAY.

WE HEREBY AGREE WITH THE DRAWERS, ENDORSERS AND BONAFIDE HOLDERS THAT THE DRAFTS DRAWN UNDER AND IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT SHALL BE DULY HONORED UPON PRESENTATION TO THE DRAWEE, IF NEGOTIATED ON OR BEFORE THE EXPIRATION DATE OF THIS CREDIT.

IF ANY INSTRUCTIONS ACCOMPANYING A DRAWING UNDER THIS LETTER OF CREDIT REQUEST THAT PAYMENT IS TO BE MADE BY TRANSFER TO YOUR ACCOUNT WITH ANOTHER BANK, WE WILL ONLY EFFECT SUCH PAYMENT BY FED WIRE TO A U.S. REGULATED BANK, AND WE AND/OR SUCH OTHER BANK MAY RELY ON AN ACCOUNT NUMBER SPECIFIED IN SUCH INSTRUCTIONS EVEN IF THE NUMBER IDENTIFIES A PERSON OR ENTITY DIFFERENT FROM THE INTENDED PAYEE.

THIS LETTER OF CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES ISP98, INTERNATIONAL CHAMBER OF COMMERCE, PUBLICATION NO. 590 ("ISP98").

[BANK USE]	[BANK USE]
AUTHORIZED SIGNATURE	AUTHORIZED SIGNATURE

EXHIBIT "A"

DATE: REF. NO.

AT SIGHT OF THIS DRAFT

PAY TO THE ORDER OF US$

USDOLLARS

DRAWN UNDER [NAME OF ISSUER], STANDBY
LETTER OF CREDIT NUMBER NO. DATED

TO: [NAME OF ISSUER]
[ADDRESS OF ISSUER]

(BENEFICIARY'S NAME)

AUTHORIZED SIGNATURE

EXHIBIT "B"

DATE:

TO: [NAME OF ISSUER]
[ADDRESS OF ISSUER]

RE:IRREVOCABLE STANDBY LETTER OF CREDIT
NO. ISSUED BY [NAME OF ISSUER]

ATTN:

L/C AMOUNT: $

GENTLEMEN:

FOR VALUE RECEIVED, THE UNDERSIGNED BENEFICIARY HEREBY IRREVOCABLY TRANSFERS TO:

(NAME OF TRANSFEREE)
(ADDRESS)

ALL RIGHTS OF THE UNDERSIGNED BENEFICIARY TO DRAW UNDER THE ABOVE LETTER OF CREDIT UP TO ITS AVAILABLE AMOUNT AS SHOWN ABOVE AS OF THE DATE OF THIS TRANSFER.

BY THIS TRANSFER, ALL RIGHTS OF THE UNDERSIGNED BENEFICIARY IN SUCH LETTER OF CREDIT ARE TRANSFERRED TO THE TRANSFEREE. TRANSFEREE SHALL HAVE THE SOLE RIGHTS AS BENEFICIARY THEREOF, INCLUDING SOLE RIGHTS RELATING TO ANY AMENDMENTS, WHETHER INCREASES OR EXTENSIONS OR OTHER AMENDMENTS, AND WHETHER NOW EXISTING OR HEREAFTER MADE. ALL AMENDMENTS ARE TO BE ADVISED DIRECT TO THE TRANSFEREE WITHOUT NECESSITY OF ANY CONSENT OF OR NOTICE TO THE UNDERSIGNED BENEFICIARY.

THE ORIGINAL OF SUCH LETTER OF CREDIT IS RETURNED HEREWITH, AND WE ASK YOU TO ENDORSE THE TRANSFER ON THE REVERSE THEREOF, AND FORWARD IT DIRECTLY TO THE TRANSFEREE WITH YOUR CUSTOMARY NOTICE OF TRANSFER.

SINCERELY,

(BENEFICIARY'S NAME)

(SIGNATURE OF BENEFICIARY)

SIGNATURE AUTHENTICATED

The name(s), title(s), and signature(s) conform to that/those on file with us for the company and the signature(s) is/are authorized to execute this instrument.

We further confirm that the company has been identified applying the appropriate due diligence and enhanced due diligence as required by BSA and all its subsequent amendments.

(NAME AND TITLE)

(Name of Bank)

(Address of Bank)

(City, State, ZIP Code)

(Authorized Name and Title)

(Authorized Signature)

(Telephone number)

EXHIBIT 5

ALTERATIONS CHECKLIST

Scope letter describing project, design/construction team, and appropriate vendors.
Insurance certificate(s) for Contractors.
Construction Documents (CDs) - Plans and Specifications - stamped by licensed AIA.
Code Review by licensed code engineer incorporated in CDs and/or by stamped letter.
- Code specific - accessibility.
- Code specific - egress paths/exits (numbers, locations, distance).
- Code specific - fire protection, sprinkler distribution, horns/strobes/signage locations.

Landlord Approved architect, MEPFP engineer, code engineer, structural engineer.
Building permit application.
- Signatures by Architect, Licensed Construction Supervisor.

Cost Affidavit with backup estimate from contractor.
Architect Affidavit.
MEP Affidavit.

FP Affidavit.
Structural Affidavit.
Construction Cost Affidavit.
Structural Affidavit.
Structural Affidavit.

Low Voltage Wiring Within Premises:

Insurance certificate(s) for Contractor, if applicable
If installer is employee, copy of valid government issued electrical license
Code Review by licensed code engineer
permit application as requested by Inspectional Services Department.
Signature by Licensed Professional (electrician)

Ethernet wiring within Premises:

Insurance certificate(s) for Contractor, if applicable
If installer is employee, copy of valid government issued electrical license (to the extent legally required)
Code Review by licensed code engineer
permit application as requested by Inspectional Services Department.
Signature by Licensed Professional (electrician) to the extent legally required

EXHIBIT 6

TENANT'S HAZARDOUS MATERIALS

Chemical Inventory List

Name	Manufacturer	Manufacturing Catalog Number & Quantity
1-Thloglyerol	SIGMA	
2-Mercaptoethanol	5IGMA	M314B-100ML
2-Propanol	SIGMA	I9S16-S00 ML
ZXYT Broth	SIGMA-ALDRICH	MBPE-5032 992G
4-Aminnbentcicacid	SIGMA	A9S7S-;i> G
Absolute Ethanol (200 proof)	Fish Scientific	BP 2818-4 4L
Acetic Acid	SIGMA-ALDRICH	AG2B3-1 L
Acetone	SIGMA-ALDRICH	179973-1 L
Acetonitrlle	SIGMA-ALDRICH	271004-2L
Agar	SIGMA	A1296-5Q0G
Ammonium bicarbonate	SIGMA - ALDRICH	A 6141-500 G
Ammonium Sulfate	SIGMA	A4413-1 KG/A44 18-500 G
Bovine Serum Albumin	i V.	A2I53-50 6
Bright-Glo Lucfferase Reagent	Prornega	E263A
BrIJ L23 Solution	SIGMA	B41S4-100MI.
Brilliant Blue G	SIGMA	27B15-25G-F
Butyric add sodium salt, 99%	ACROS ORGANICS	CAS: 156-54-7 2S G
Calcium chloride Dihydrate	SIGMA-ALDRICH	C3881 -500 G
Carbenicillln Olsodlum Salt	SIGMA	CI389-5 G
Carbon Dioxide	Airgas	CD USP50
Citric Acid	SIGMA ALDRICH	C0759-1KG
Cystamine Dihycfrochloride	SIGNV, AID? ··	C121509-25G
D-(+)-Glucose	SIGMA	G7021-1 KG
Dansylcadaverlne	SIGMA	30432 - 300 MG
Dextran Sulfate Sodium Salt	SIGMA	S1227-5 G
Dextrose	SIGMA	D9434 -SO0G
DL-Dithlothreitol	SIGMA - ALDRICH	D0632-10G
crythrosin B	SIGMA-ALDRICH	200964 - 5 G
ETHYL Alcohol	PHARMCO-AAPER	Wo. 111000200 1 Gallon/3.786 Liters
Geneticln	Life Technologies	10131-035
Glycerol	SIGMA	G202S · 500 ML
	SIGMA	50046 - 250 G
Guanidine Hydrochloride	SIGMA	G4505 -500 G
HEPES	SIGMA	H4034 - 500 G
Hydrochloric Acid	SIGMA-ALDRICH	25314B-4 L
Hygromycin B in PBS SO mg/mt	Invitrogen	Part No. 10637-010 20 mL
Imidazole	SIGMA · A1DRICH	I2399-500G
lodoacetamide	SIGMA	16125-5 G
kanamycin sulfate	Gibco by life technologies	No.11315-024, 5 G
KoillphorV 183	SIGMA	K4S94-500G
LB Agar	Fish Scientific	BP9724 -500 50OG

Lipopolysaccharides from Eshcrichia Coli 055:B5		12380-10 MG
Liquid Nitrogen	Airgas	NINF230LT22
Magnesium Chloride Hexahydrate	SIGMA-ALDRICH	M 2670 - 500 G
Manganese (11) Chloride Tetrahydrate	SIGMA-ALDRICH	221279-500G
Methanol	SIGMA - ALDRICH	179337-4 L
N-Ethylmaleimlde	SIGMA	04259-5 G
Nickel (II) Chloride Hexahydrate	SIGMA	N613G-100G

Penicillin G Sodium Salt		P3032-10 Mu
Phenylmelhanesulfonyl fluoride solution	SIGMA	93482-50 ML-F
Phospate buffered saline{10x) without potassium salts	Boston Byproducts	BB-125, 1 L
Phosphoric add, extra pure, *B5%* solution m water	ACROS ORGANICS	76S4-33-2 2.5 LT
Pierce BCA Protein Assay Kit	Thermo Scientific	23227
Potythylenimine, linear, MW- 25,000	Polysclences	Cats 23966 2G
Potassium Chloride	SIGMA	P9541 -S00G
Putresclne Dihydrochloride	SIGMA	P57S0-5G
Quadruple-Refined Butane	Lucienne	L00mL/3 ISFl.OZ
S.O.C Medium	Invitrogen	No. 15544 - 034 Qty: 10 * 10 mL
Saponin	SIGMA	47036-50 G-F
Sodium acetate tri hydrate	SIGMA-AIDRICH	S8625-2S0G
Sodium atlde	SIGMA-ALDRICH	S2002-25G
Sodium bicarbonate	SIGMA-ALORICH	S5761-500G
Sodium Chloride	SIGMA	S3014-5KG
Sodium dodecyl sulfate	SIGMA	L3771-100G
Sodium hydroxide	SIGMA-ALDRICH	SS8B1-500 G
Sodium phosphate dibasic	SIGMA-ALORICH	S7907-500 G
Sodium phosphate monobasic	SIGMA-ALDRICH	S8282-500 G
Sodium thlogtycolate	SIGMA	T0632-25 G
Spectlnomycln dlhydrochlorlde penta hydrate	SIGMA	S4014-5G
Streptomycin sulfate salt	SIGMA	S9137-100G
Trichloroacetic add	SIGMA-ALORICH	74S8S-S00G
Triton X-100	SIGMA	T92S4-S00ML
Trfema* base	SIGMA	T1S03-10KG
Trtema* hydrochloride	SIGMA	T6665-S0G
Trypsin inhibitor from Glycine max(soybean)	SIGMA	T6522-25 MG
Tryptone Nl	OrganoTehnle	19553-5 KG
Tween 20	SIGMA-ALDRICH	P7S49-500 ML
UltraPure™ Agarose	Invitrogen	16500-500 500 G
Valproic add sodium salt	SIGMA	P4543-2SG
Zinc chloride	SIGMA-ALDRICH	229997-10 G
Dimethyl sulfoxide	SIGMA-ALDRICH	D2650
Ethldlum Bromide	Life Technologies	15585011
Mammlal Cell Culture Unes (ex: HEK293, HepG2, CHO)	ex: ATCC, NR Canada, Ufa Technologies	
Mammfal Cell Culture Media (ex: DMEM, F17, RPMI)	Life Technologies	

EXHIBIT 7

RULES AND REGULATIONS

To the extent of any conflict between these Rules and Regulations and the body of the Lease, the body of the Lease shall govern.

1. Tenant and its employees shall not in any way obstruct the sidewalks, halls, stairways, or elevators of the Building, and shall use the same only as a means of passage to and from their respective offices.

2. Corridor doors, when not in use, shall be kept closed.

3. No animals, except seeing eye dogs, shall be brought into or kept in, on or about the Premises.

4. The restroom fixtures shall be used only for the purpose for which they were constructed and no rubbish, ashes, or other substances of any kind shall be thrown into them. Tenant will bear the expense of any damage resulting from misuse.

5. Tenant shall not place any additional lock or locks on any exterior door in the Building or on any door in the Building core within the Premises, including doors providing access to the telephone and electric closets and the slop sink, without Landlord’s prior written consent; provided, however,

that Tenant shall have control of all keys to doors within the Premises, but will provide Landlord with a master copy of same. At Landlord's option, all keys shall be surrendered to Landlord at the expiration or earlier termination of the Lease.

6. Landlord reserves the right to exclude or expel from the Building any persons who, in the judgment of Landlord, is intoxicated under the influence of liquor or drugs, or shall do any act in violation of the rules and regulations of the Building.

7. Landlord reserves the right to close and keep locked all entrance and exit doors of the Building during the hours Landlord may deem advisable for the adequate protection of the property. Use of the Building and the leased Premises before 8 AM or after 6 PM, or any time during Sundays or legal holidays shall be allowed only to persons with a key/card key to the Premises or guests accompanied by such persons. At these times, all occupants and their guests must sign in at the concierge when entering and exiting the Building. Any persons found in the Building after hours without such keys/card keys are subject to the surveillance of building staff.

8. Tenant shall not, without the prior written consent of Landlord (which consent will not be unreasonably withheld, conditioned or delayed), perform improvements or alterations within the Building or the Premises if the work has the potential of disturbing the fireproofing which has been applied on the surfaces of the structural deck.

9. Landlord and Tenant shall mutually agree on the termite and pest extermination service to control termites and pests in the Premises. Except as included in Landlord's services, tenants shall bear the cost and expense of such extermination services.

10. Tenant shall not install, operate or maintain in the Premises or in any other area of the Building, any electrical equipment which does not bear the U/L (Underwriters Laboratories) or IEC (International Electrotechnical Conference) seal of approval, or which would overload the electrical system or any part thereof beyond its capacity for proper, efficient and safe operation as reasonably determined by Landlord, taking into consideration the overall electrical system, the capacities reserved to Tenant in the Lease, and the present and future requirements therefor in the Building. Tenant shall not use more than Tenant's Building Share of telephone lines available to service the Building, unless Tenant provides its own conduits and service at its sole expense. Landlord shall notify Tenant, at the time of Landlord's review and approval of the plans for Tenant's Work or for any future Alterations, if any work set forth therein will result in the use of more than Tenant's Building Share of telephone lines.

11. Tenant shall not operate or permit to be operated on the Premises any coin or token operated vending machine or similar device (including, without limitation, telephones, lockers, toilets, scales, amusement devices and machines for sale of beverages food, candy, cigarettes or other goods), except for those vending machines or similar devices which are for the sole and exclusive use of Tenant's employees.

12. Bicycles and other vehicles are not permitted inside or on the walkways outside the Building, except in those areas specifically designated by Landlord for such purposes.

13. Landlord may from time to time adopt appropriate systems and procedures for the security or safety of the Building, its occupants, entry and use, or its contents, provided that Tenant shall have access to the Building 24 hours per day, 7 days a week, 365 days a year. Tenant, Tenant's agents, employees, contractors, guests and invitees shall comply with Landlord's reasonable requirements relative thereto.

14. Canvassing, soliciting, and peddling in or about the Building is prohibited. Tenant shall cooperate and use reasonable efforts to prevent the same.

15. At no time shall Tenant permit or shall Tenant's agents, employees, contractors, guests, or invitees smoke in any Common Area of the Building.

16. Tenant shall, at its sole cost and expense, keep any garbage, trash, rubbish and refuse in vermin-proof containers within the interior of the Premises until removed.

17. Landlord and Tenant shall mutually agree on those areas where lab coats are not allowed.

18. Lab operators carrying any lab related materials may only travel in Tenant's freight elevator or stairwells within the Premises. If such freight elevator is down, announcements will be sent from Landlord's property manager designating use of another elevator. At no time should any lab materials travel in passenger elevators.

19. Any dry ice brought into the Building must be delivered through Tenant's freight elevator only.

20. All nitrogen tanks must travel in Tenant's freight elevator and should never be left unmanned outside of the Premises

EXHIBIT 8

LANDLORD'S SERVICES

· On-site bicycle parking

· Shower facilities in the Building

· To the extent capacity is available beyond base Building requirements (such available capacity, "**Lessee Capacity**"). Landlord's sole obligation for either providing emergency generators or providing emergency back-up power to Tenant shall be to: (i) provide an emergency generator for use of one or more

tenants in the Building, including Tenant (the "**Back-up Generator**") with Tenant's Share of the Lessee Capacity (Tenant hereby acknowledging that Tenant's equipment to be connected to the Back-Up Generator collectively shall use no more than Tenant's Share of the Lessee Capacity), and (ii) maintain the Back-up Generator as per the manufacturer's standard maintenance guidelines. In the event that Tenant's equipment connected to the Back-Up Generator uses more than Tenant's Share of the Lessee Capacity, Tenant shall, upon Landlord's demand, disconnect from the Back-Up Generator such equipment as may be necessary to reduce Tenant's use to equal or be less than Tenant's Share of the Lessee Capacity. Landlord shall provide reasonable prior notice of any planned period of replacement, repair or maintenance of the Back-up Generator and within one (1) business day after Landlord learns that the Back-up Generator is not operational, however Landlord shall have no obligation to provide Tenant with an alternative back-up generator or alternative sources of back-up power. Tenant expressly acknowledges and agrees that Landlord does not guaranty that the Back-up Generator will be operational at all times or that emergency power will be available to the Premises when needed. So long as Landlord is not in default of its obligations under this paragraph, in no event shall Landlord be liable to Tenant or any other party for any damages of any type suffered by Tenant or any other person in the event that any emergency generator or back-up power or any replacement thereof fails or does not provide sufficient power.

EXHIBIT 9 FORM OF RNDA

RECOGNITION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS RECOGNITION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT (this "**Agreement**") is made and entered into as of the day of February, 2015 by and between **SCHOLAR ROCK, INC.,** a Delaware corporation with an address of 300 Third Street, 4th Floor, Cambridge, MA 02142 ("**Subtenant**"). **MIT 620 MEMORIAL LLC,** a Massachusetts limited liability company with an address c/o MIT Investment Management Company, 238 Main Street, Suite 200, Cambridge, MA 02142 ("**Master Lessor**") and **620 MEMORIAL LEASEHOLD LLC,** a Massachusetts limited liability company with an address c/o MIT Investment Management Company, 238 Main Street, Suite 200, Cambridge, MA 02142 ("**Master Tenant**")**.**

W I T N E S S E T H

REFERENCE is hereby made to that certain Master Lease Agreement dated as of May 15, 2014 by and between Master Lessor, as landlord, and Master Tenant, as tenant (as it may be amended from time to time, the "**Master Lease**") with respect to the property commonly known as 620 Memorial Drive, Cambridge, Massachusetts (as more particularly described in the Master Lease, the "**Property**").

REFERENCE is also hereby made to that certain lease dated on or about the date hereof by and between Master Tenant, as landlord, and Subtenant, as tenant (as the same may be amended in accordance with Section 5 below, the "**Sublease**"), with respect to a portion of the Property consisting of approximately 11,833 rentable square feet on the second (2nd) floor (the "**Subleased Premises**") of the building located on the Property; and WHEREAS, subject to the terms and conditioned hereinafter set forth, Master Lessor has agreed (a) to recognize the rights of Subtenant under the Sublease, and (b) not to disturb Subtenant's use and enjoyment of the Subleased Premises.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Incorporation of Recitals: Capitalized Terms. The foregoing recitals are hereby incorporated by reference. All capitalized terms not otherwise defined herein shall have the meanings ascribed to them as set forth in the Master Lease.

2. Sublease. Master Tenant and Subtenant each hereby warrants and represents that the copy of the Sublease delivered to Master Lessor is a true, complete and accurate copy of the Sublease, and that there are no other agreements, contracts or documents between Master Tenant and Subtenant relating to Subtenant's rights with respect to the Subleased Premises.

3. Subtenant Not To Be Disturbed. So long as Subtenant is not in default (beyond any period given Subtenant by the terms of the Sublease to cure such default) in the payment of rent or additional rent or of any of the terms, covenants or conditions of the Sublease on Subtenant's part to be performed, (a) Subtenant's possession of the Subleased Premises, and its rights and privileges under the Sublease, including but not limited to any extension or renewal rights, if

any, shall not be diminished or interfered with by Master Lessor, and (b) Master Lessor will not join Subtenant as a party defendant in any action or proceeding terminating Master Tenant's possession of the Property unless such joinder is necessary to terminate such possession and then only for such purpose and not for the purpose of terminating the Sublease.

4. Tenant To Attorn To Master Lessor. If the Master Lease is terminated pursuant to the terms thereof, or if Master Tenant rejects the Sublease in the course of a bankruptcy proceeding, or if Master Lessor purchases Master Tenant's leasehold interest pursuant to Article XIX of the Master Lease, then (a) the Sublease shall continue in full force and effect as a direct lease between Master Lessor and Subtenant (subject to Section 8 below); provided, however, that Master Lessor and its assigns shall not be (i) liable for any misrepresentation, act or omission of Master Tenant, (ii) subject to any counterclaim, demand or offset which Subtenant may have against Master Tenant; (iii) liable for the return of any security deposit or letter of credit not actually received by Master Lessor and with respect to which Subtenant agrees to look solely to Master Tenant for refund or reimbursement; (iv) bound by any advance payment of rent or additional rent or any other sums made by Subtenant to Master Tenant, except for rent or additional rent applicable to the then-current unless such advance payment is received by Master Lessor; (v) obligated to cure any defaults under the Sublease of Master Tenant which occurred prior to the termination of the Master Lease, provided, however, that the foregoing shall not release Master Lessor from liability for any default of its obligations under the Lease continuing after the date on which Master Lessor succeeds to Master Tenant's interest under the Sublease, including without limitation any maintenance obligations; or (vi) bound by any covenant to undertake, complete, or pay for any improvements to the Subleased Premises; and (b) Subtenant shall attorn to Master Lessor as its landlord under the Sublease, said attornment to be effective and self-operative without the execution of any further instruments. Master Lessor and Subtenant each hereby agrees to execute an instrument in form and substance reasonably acceptable to both parties acknowledging the continuation of the Sublease for the Subleased Premises as a direct lease for the Subleased Premises on the terms and conditions set forth in this Agreement. In addition, Subtenant shall execute and deliver, upon the request of Master Lessor, an instrument or certificate regarding the status of the Sublease consisting of

statements, if true (and if not true, specifying in what respect), in the case of the Sublease by Subtenant (A) that the Sublease is in full force and effect, (B) the amounts and date through which rentals have been paid, (C) the commencement date, rent commencement date and duration of the term of the Sublease, (D) that to the best of its knowledge and belief, no default, or state of facts, which with the passage of time, or notice, or both, would constitute a default, exists on the part of either party to the Sublease, and (E) the dates on which payments of additional rent, if any, are due under the Sublease.

5. Sublease Amendments. Subtenant shall not amend the Sublease without the prior written consent of Master Lessor, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that such consent may be withheld by Master Lessor in its sole and absolute discretion if such amendment (a) reduces the rent payable under the Sublease, (b) provides for any expansion rights, (c) extends the term of the Sublease in addition to Subtenant's current right(s) to extend the term under the Sublease, if any, (d) reduces any of the liabilities and obligations of Subtenant under the Sublease, or (e) increases any of the obligations of Master Tenant under the Sublease. Any such amendment made without Master Lessor's consent shall not be binding on Master Lessor.

6. Master Lessor's Right to Notice and Cure. Subtenant covenants and agrees to: (a) concurrently give Master Lessor any default notices given to Master Tenant under the Sublease at the following address(es) until otherwise specified in writing by Master Lessor: MIT 620 Memorial LLC, c/o MIT Investment Management Company, 238 Main Street, Suite 200, Cambridge, MA 02142, Attention: Managing Director of Real Estate, with a copy to Goulston & Storrs, P.C., 400 Atlantic Avenue, Boston, MA 02110, Attention: Colleen P. Hussey, Esq.; (b) provide Master Lessor with at least ten (10) days plus the number of days (and the same opportunities and rights) as are available to Master Tenant under the Sublease to cure any of Master Tenant's defaults thereunder; and (c) accept Master Lessor's curing of any of Master Tenant's defaults under the Sublease as performance by Master Tenant thereunder.

7. Amendments. This Agreement may not be waived, changed, or discharged orally, but only by agreement in writing and signed by Master Lessor, Master Tenant and Subtenant, and any oral waiver, change, or discharge of this Agreement or any provisions hereof shall be without authority and shall be of no force and effect.

8. Revisions to Sublease. Notwithstanding anything contained in this Agreement or the Sublease to the contrary, in the event that the Master Lease is terminated pursuant to the terms thereof, or if Master Tenant rejects the Sublease in the course of a bankruptcy proceeding:

(a) Master Lessor's obligations with respect to reconciliation of, and Subtenant's inspection of records relating to, Operating Costs shall be limited to the extent that Master Lessor does not receive all records and books relating to such Operating Costs.

(b) As of the date of such termination or rejection, all representations and warranties on the part of "Landlord" contained in the Lease shall be deemed deleted and of no further force and effect.

(c) Master Lessor shall not have any liability or obligations pursuant to the brokerage provision of the Sublease.

9. Security Deposit. If the Master Lease is terminated pursuant to the terms thereof, or if Master Tenant rejects the Sublease in the course of a bankruptcy proceeding, or if Master Lessor purchases Master Tenant's leasehold interest pursuant to Article XIX of the Master Lease, then Master Tenant shall deliver to Master Lessor the cash security deposit and the original letter of credit (including any amendments thereto), if any. In the event that Master Tenant fails to deliver the same, Subtenant shall, at Master Lessor's written request and at Subtenant's sole cost and expense, use commercially reasonably efforts (including, without limitation, the payment of any fees required by the issuer of any such letter of credit and the execution of such reasonable documents as Master Lessor may deem necessary) in order to (a) cause Master Tenant to deliver to Master Lessor any cash security deposit, and (b) cause the original letter of credit issued to Master Tenant to be (i) assigned to Master Lessor or (ii) terminated or canceled. If such letter of credit is so terminated or canceled, Master Tenant shall deliver to Master Lessor a new original letter of credit naming Master Lessor as beneficiary and otherwise meeting the requirements set forth in the Sublease.

10. Relation between Master Lessor and Master Tenant. Notwithstanding anything to the contrary contained herein, if *at the time* that Master Lessor succeeds to the interest of Master Tenant as landlord under the Sublease, Master Tenant directly or indirectly controls, is controlled by or is under common control with Master Lessor, then, in such event, Master Lessor agrees that no term, covenant or condition of this Agreement shall be interpreted or enforced by Master Lessor in any manner that would have the effect of amending or modifying the Sublease, releasing Master Lessor from any obligation under the Sublease or otherwise reducing the obligations of the landlord thereunder or increasing the obligations of Subtenant thereunder.

11. Miscellaneous. This Agreement shall be deemed to have been executed and delivered within the Commonwealth of Massachusetts, and the rights and obligations of the parties hereunder shall be construed and enforced in accordance with, and governed by, the laws of the Commonwealth of Massachusetts without regard to the laws governing conflicts of laws. If any term of this Agreement or the application thereof to any person or circumstances shall be invalid and unenforceable, the remaining provisions of this Agreement, the application or such term to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected. This Agreement is binding upon and shall inure to the benefit of Master Lessor, Master Tenant and Subtenant and their respective successors and assigns. Each party has cooperated in the drafting and preparation of this Agreement and, therefore, in any construction to be made of this Agreement, the same shall not be construed against either parry. In the event of litigation relating to this Agreement, the prevailing party shall be entitled to reimbursement from the other party of its reasonable attorneys' fees and costs. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous oral and written agreements and discussions, and may not be amended, waived, discharged or terminated except by a written instrument signed by all the parties hereto.

[signatures on following page]

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed as an instrument under seal as of the date first above written.

MASTER LESSOR:
MIT 620 MEMORIAL LLC

By: _____
Seth D. Alexander, President

MASTER TENANT:
620 MEMORIAL LEASEHOLD LLC

By: _____
Seth D. Alexander, President

SUBTENANT:
SCHOLAR ROCK, INC.

By: _____
Name:
Title:

FIRST AMENDMENT TO LEASE

This First Amendment to Lease (this "**First Amendment**") is made as of February 22, 2016 by and between 620 MEMORIAL LEASEHOLD LLC, a Massachusetts limited liability company with an address of 238 Main Street, Suite 200, Cambridge, MA 02142 ("**Landlord**"), and SCHOLAR ROCK, INC., a Delaware corporation with an address of 300 Third Street, 4th Floor, Cambridge, MA 02142 ("**Tenant**").

WITNESSETH

WHEREAS, Landlord and Tenant executed that certain Lease dated March 5, 2015 (the "**Lease**"), pursuant to which Landlord is leasing to Tenant certain space on the second (2nd) floor of the building located at 620 Memorial Drive, Cambridge, MA (the "**Building**");

WHEREAS, as a result of final Building measurements, the rentable square footage of the Building and the Premises has changed;

WHEREAS, the Final Cost Estimate disclosed that the Work Costs exceeded Landlord's Contribution by more than $174,285 (which is $15 multiplied by the number of rentable square feet in the Premises, as set forth below in this First Amendment) and Tenant has elected to increase Base Rent in accordance with Section 3.4(b)(iii) of the Lease;

WHEREAS, Tenant shall pay the balance of the Work Costs in accordance with Section 3.4(b)(iv) of the Lease.

NOW, THEREFORE, in consideration of the covenants herein reserved and contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged. Landlord and Tenant hereby agree as follows:

1. Recitals; Capitalized Terms. The foregoing recitals are hereby incorporated by reference. All capitalized terms not otherwise defined herein shall have the meanings ascribed to them as set forth in the Lease.

2. Dates. The Term Commencement Date occurred on August 26, 2015 and the Rent Commencement Date occurred on October 26, 2015.

3. Rentable Square Footage. Although the Lease states that the Building contains approximately 89,443 rentable square feet and the Premises contains approximately 11,833 rentable square feet, Landlord and Tenant acknowledge and agree that the Building currently contains approximately 89,496 rentable square feet and the Premises currently contains approximately 11,619 rentable square feet.

4. Tenant's Share. As of the date hereof, Tenant's Share is calculated as 12.983% (11.619 / 89.496) and Tenant's Tax Share is calculated as 12.983% (11,619 / 89.496).

5. Base Rent. Notwithstanding anything to the contrary, Base Rent shall be paid in the following amounts and otherwise in accordance with the terms of the Lease:

Period of Time	Annual Base Rent	Monthly Installment of Base Rent
10/26/15-2/28/16		$ 50,349.00
3/1/16-10/31/16		$ 54,088.49
11/1/16-10/31/17	$ 667,187.52	$ 55,598.96
11/1/17-10/31/18	$ 685,856.93	$ 57,154.74
11/1/18-10/31/19	$ 705,086.42	$ 58,757.20
11/1/19-10/31/20	$ 724,892.80	$ 60,407.73

Tenant shall be entitled to a credit (equal to the amount of Base Rent actually paid in excess of the amounts set forth above for the period October 26, 2015 — February 28, 2016) against the monthly installment of Base Rent payable with respect to March, 2016.

6. Landlord's Contribution. Notwithstanding anything to the contrary, Landlord's Contribution is Six Hundred Thirty-Nine Thousand Forty-Five Dollars ($639,045), subject to Section 3.4 of the Lease.

7. Ratification. Except as amended hereby, the terms and conditions of the Lease shall remain unaffected. From and after the date hereof, all references to the Lease shall mean the Lease as amended hereby. Additionally, Landlord and Tenant each confirms and ratifies that, as of the date hereof and to its actual knowledge, (a) the Lease is and remains in good standing and in full force and effect, and (b) neither party has any claims, counterclaims, set-offs or defenses against the other party arising out of the Lease or the Premises or in any way relating thereto or arising out of any other transaction between Landlord and Tenant.

8. Miscellaneous. This First Amendment shall be deemed to have been executed and delivered within the Commonwealth of Massachusetts, and the rights and obligations of Landlord and Tenant hereunder shall be construed and enforced in accordance with, and governed by, the laws of the Commonwealth of Massachusetts without regard to the laws governing conflicts of laws. If any term of this First Amendment or the application thereof to any person or circumstances shall be invalid and unenforceable, the remaining provisions of this First Amendment, the application of such term to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected. This First Amendment is binding upon and shall inure to the benefit of Landlord and Tenant and their respective successors and assigns. Each party has cooperated in the drafting and preparation of this First Amendment and, therefore, in any construction to be made of this First Amendment, the same shall not be construed against either party. In the event of litigation relating to this First Amendment, the prevailing party shall be entitled to reimbursement from the other party of its reasonable attorneys' fees and costs. This First Amendment constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous oral and written agreements and discussions, and may not be amended, waived, discharged or terminated except by a written instrument signed by all the parties hereto. A facsimile,

PDF or other electronic signature on this First Amendment shall be equivalent to, and have the same force and effect as, an original signature.

[signatures on following page]

[SIGNATURE PAGE TO FIRST AMENDMENT TO LEASE BY AND BETWEEN 620 MEMORIAL LEASEHOLD LLC AND SCHOLAR ROCK, INC.]

EXECUTED under seal as of the date first set forth above.

LANDLORD: 620 MEMORIAL LEASEHOLD LLC

By: _____
Seth D. Alexander, President

TENANT: SCHOLAR ROCK, INC.

By: _____
Name: _____
Title: _____

SECOND AMENDMENT TO LEASE

This Second Amendment to Lease (this "**Second Amendment**") is made as of February 22, 2018 by and between 620 MEMORIAL LEASEHOLD LLC, a Massachusetts limited liability company with an address c/o MIT Cambridge Real Estate LLC, 238 Main Street, Suite 200, Cambridge, MA 02142 ("**Landlord**"), and SCHOLAR ROCK, INC., a Delaware corporation with an address of 620 Memorial Drive, Second (2nd) Floor, Cambridge, MA 02139 ("**Tenant**").

W I T N E S S E T H

WHEREAS, Landlord and Tenant executed that certain Lease dated March 5, 2015, as amended by that certain First Amendment to Lease dated as of February 22, 2016 (collectively, the "**Lease**"), pursuant to which Landlord is leasing to Tenant certain space consisting of approximately 11,619 rentable square feet on the second (2nd) floor (as more particularly described in the Lease, the "**Original Premises**") of the building located at 620 Memorial Drive, Cambridge, MA (the "**Building**"):

WHEREAS, the Initial Term of the Lease is scheduled to expire on October 31, 2020;

WHEREAS, Landlord and Tenant wish to extend the Initial Term of the Lease on the terms and conditions hereinafter set forth;

WHEREAS, Tenant wishes to lease additional premises on the second (2nd) floor of the Building consisting of approximately 9,132 rentable square feet (as more particularly shown on the plan attached hereto as Exhibit A, the "**Expansion Space**");

WHEREAS, Landlord is willing to lease the Expansion Space to Tenant on the terms and conditions hereinafter set forth; and

WHEREAS, Landlord and Tenant wish to amend the Lease on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the covenants herein reserved and contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

1. Recitals; Capitalized Terms. The foregoing recitals are hereby incorporated by reference. All capitalized terms not otherwise defined herein shall have the meanings ascribed to them as set forth in the Lease.

2. Extension of Term.

(a) *Extension of Initial Term.* Notwithstanding anything to the contrary set forth in the Lease, effective as of the ES Commencement Date (hereinafter defined), the Initial Term of the Lease shall, unless earlier terminated in accordance with the Lease, end on the last day of the fifth (5^{th}) Expansion Space Year (hereinafter defined).

(b) *Extension Right.* As of the ES Commencement Date, Section 1.2 of the Lease shall be deleted in its entirety and replaced with the following:

(a) Provided (i) Tenant, an Affiliated Entity (hereinafter defined) and/or a Successor (hereinafter defined) is/are then occupying at least seventy-five percent (75%) of the Extension Premises(1) (hereinafter defined) on the date of the Extension Notice (hereinafter defined); and (ii) there is no Event of Default (1) as of the date of the Extension Notice (hereinafter defined), and (2) at the commencement of the Extension Term (hereinafter defined), Tenant shall have the option to extend the Term with respect to the Original Premises and/or the Expansion Space for one (1) additional term of five (5) years (the "**Extension Term**"), commencing as of the expiration of the Initial Tenn. Tenant must exercise such option to extend by giving Landlord written notice (the "**Extension Notice**") indicating the portion of the Premises with respect to which Tenant is extending the Term (i.e., the Original Premises and/or the Expansion Space) (the "**Extension Premises**") on or before the date that is nine (9) months prior to the expiration of the then-current term of this Lease, *time being of the essence* (it being understood and agreed that, if the Extension Notice does not indicate the portion of the Premises with respect to which Tenant is extending the Term, Tenant shall be deemed to have designated both the Original Premises and the Expansion Space as the Extension Premises). Notwithstanding the foregoing, Landlord may nullify Tenant's exercise of its option to extend the Term by written notice to Tenant (the "**Nullification Notice**") if (A) on the date Landlord receives the Extension Notice, an event then exists which, with the passage of time and/or the giving of notice, would constitute an Event of Default hereunder and (B) Tenant fails to cure the default described in the Nullification Notice within the applicable cure period set forth in Section 20.1 of the Lease after receipt of the Nullification Notice (Landlord hereby agreeing to acknowledge in writing if Tenant does cure such default within such applicable cure period, in which event the Nullification Notice will be of no force and effect). Upon the timely giving of the Extension Notice, the Term shall be deemed extended with respect to the Extension Premises upon all of the terms and conditions of this Lease, except that Base Rent during the Extension Term shall be calculated in accordance with this Section 1.2, Landlord shall have no obligation to construct or renovate the Extension Premises and Tenant shall have no further right to extend the Term. If Tenant fails to timely give the Extension Notice, as aforesaid, Tenant shall have no further right to extend the Term. Notwithstanding the fact that Tenant's proper and timely exercise of such option to extend the Term shall be self-executing, the parties shall promptly execute a lease amendment reflecting such Extension Term for the Extension Premises after Tenant exercises such option. The execution of such lease amendment shall not be deemed to waive any of the conditions to Tenant's exercise of its rights under this Section 1.2.

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(1) i.e., if the Extension Premises consists of only the Original Premises, then Tenant, an Affiliated Entity and/or a Successor must then be occupying at least seventy-five percent (75%) of the Original Premises; if the Extension Premises consists of only the Expansion Space, then Tenant, an Affiliated Entity and/or a Successor must then be occupying at least seventy-five percent (75%) of the Expansion Space; and if the Extension Premises consists of the Original Premises and the Expansion Space, then Tenant, an Affiliated Entity and/or a Successor must then be occupying at least seventy-five percent (75%) of the entire Premises (the Original Premises and the Expansion Space)

(b) The Base Rent with respect to the Extension Premises during the Extension Term (the "**Extension Term Base Rent**") shall be determined in accordance with the process described hereafter. Extension Term Base Rent shall be the greater of (i) Base Rent for the last Rent Year of the prior term, on a per rentable square foot basis, or (ii) the fair market rental value of the Extension Premises as of the commencement of the Extension Term as determined in accordance with the process described below, for renewals of first-class combination laboratory and office space in the East Cambridge/Cambridgeport area of equivalent quality, size, utility and location, with the length of the Extension Term and the credit standing of Tenant to be taken into account. Within thirty (30) days after receipt of the Extension Notice, Landlord shall deliver to Tenant written notice of its determination of the Extension Term Base Rent. Tenant shall, within thirty (30) days after receipt of such notice, notify Landlord in writing whether Tenant accepts or rejects Landlord's determination of the Extension Term Base Rent ("**Tenant's Response Notice**"). If Tenant fails timely to deliver Tenant's Response "Notice, Landlord's determination of the Extension Term Base Rent shall be binding on Tenant.

(c) If and only if Tenant's Response Notice is timely delivered to Landlord and indicates both that Tenant rejects Landlord's determination of the Extension Term Base Rent and desires to submit the matter to arbitration, then the Extension Term Base Rent shall be determined in accordance with the procedure set forth in this Section 1.2(c). In such event, within ten (10) days after receipt by Landlord of Tenant's Response Notice indicating Tenant's desire to submit the determination of the Extension Term Base Rent to arbitration, Tenant and Landlord shall each notify the other, in writing, of their respective selections of an appraiser (respectively, "**Landlord's Appraiser**" and "**Tenant's Appraiser**"). Landlord's Appraiser and Tenant's Appraiser shall then jointly select a third appraiser (the "**Third Appraiser**") within ten (10) days of their appointment. All of the appraisers selected shall be individuals with at least five (5) consecutive years' commercial appraisal experience in the area in which the Premises are located, shall be members of the Appraisal Institute (M.A.I.), and, in the case of the Third Appraiser, shall not have acted in any capacity for either Landlord or Tenant within five (5) years of his or her selection. The three appraisers shall determine the Extension Term Base Rent in accordance with the requirements and criteria set forth in Section 1.2(b) above, employing a process whereby Landlord's Appraiser and

Tenant's Appraiser each sets forth its determination of the Extension Term Base Rent as defined above, and the Third Appraiser must select one or the other (it being understood that the Third Appraiser shall be expressly prohibited from selecting a compromise figure). Landlord's Appraiser and Tenant's Appraiser shall deliver their determinations of the Extension Term Base Rent to the Third Appraiser within five (5) days of the appointment of the Third Appraiser and the Third Appraiser shall render his or her decision within ten (10) days after receipt of both of the other two determinations of the Extension Term Base Rent. The Third Appraiser's decision shall be binding on both Landlord and Tenant. Each party shall bear the cost of its own appraiser and shall share equally in the cost of the Third Appraiser.

3. Lease of Expansion Space.

(a) Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Expansion Space for a term (the "**ES Term**") commencing on the date on which Landlord delivers the Expansion Space to Tenant in the condition specified in Section 3(b) below (the "**ES Commencement Date**") and ending on the last day of the Term of the Lease (as it may be extended pursuant to the Lease as amended hereby), subject to all of the terms and conditions of the Lease (including without limitation the payment of utility charges) except as expressly set forth in this Second Amendment. The ES Commencement Date is targeted to occur on or about April 1, 2018. Landlord shall provide Tenant written notice at least ten (10) business days in advance of the date on which Landlord reasonably estimates the ES Commencement Date will occur. From and after the ES Commencement Date, the Premises shall be deemed to mean, for all purposes of the Lease (as amended hereby), collectively the Original Premises, the Expansion Space and former Common Areas on the second floor of the Building (comprising a total of 20,751 rentable square feet in the aggregate and consisting of all rentable square footage on the second floor of the Building), and accordingly, there will be no Common Areas on the second floor of the Building other than the elevators and stairwells.

(b) On the ES Commencement Date, (i) the Common Areas inside the Building shall be in compliance with Legal Requirements, and (ii) Landlord shall deliver the Expansion Space with all base building systems, including but not limited to HVAC, electrical, life safety and plumbing systems, serving the same in good working condition, with the portion of the Expansion Space currently leased to another tenant having been decommissioned by a Certified Industrial Hygienist. Subject to the foregoing, Tenant acknowledges and agrees that Tenant shall lease the Expansion Space in its "AS IS," "WHERE IS" condition and with all faults on the ES Commencement Date, without representations or warranties, express or implied, in fact or by law, of any kind, and without recourse to Landlord.

(c) Landlord shall use commercially reasonable efforts to cause the current tenant of the Expansion Space to timely vacate the Expansion Space (which efforts shall not be deemed to include litigation).

4. Base Rent.

(a) For purposes hereof, the "**ES Rent Commencement Date**" shall occur on the ES Commencement Date, provided, however, if the ES Commencement Date does not occur on or before May 1, 2018, then the ES Rent Commencement Date shall be delayed beyond the ES Commencement Date one day for every day between May 1, 2018 and the ES Commencement Date. Once the ES Commencement Date and the ES Rent Commencement Date are determined, Landlord and Tenant shall execute an agreement confirming the ES Commencement Date and the ES Rent Commencement Date.

(b) Notwithstanding anything to the contrary, commencing on the ES Rent Commencement Date, Base Rent with respect to the Expansion Space during the balance of the Initial Term shall be paid in the following amounts and otherwise in accordance with the terms of the Lease:

Expansion Space Year(2)	Annual Base Rent	Monthly Installment of Base Rent	Per RSF
1	$ 666,636.00	$ 55,553.00	$ 73.00
2	$ 686,635.08	$ 57,219.59	$ 75.19
3	$ 707,273.40	$ 58,939.45	$ 77.45
4	$ 728,459.64	$ 60,704.97	$ 79.77
5	$ 750,376.44	$ 62,531.37	$ 82.17

(c) Base Rent with respect to the Original Premises for the period through and including October 31, 2020 shall be paid in the amounts set forth in the Lease. Notwithstanding anything to the contrary, with respect to the period commencing on November 1, 2020 and ending on the last day of the Initial Term (as extended pursuant to Section 2 of this Second Amendment), Base Rent with respect to the Original Premises shall be calculated at the same rate per rentable square foot as Base Rent for the Expansion Space. For illustration purposes only, if November 1, 2020 occurs during Expansion Space Year 3, Base Rent with respect to the Original Premises for the period commencing on November 1**,** 2020 and ending on the last day of Expansion Space Year 3, inclusive, shall be $74,990.96 per month (calculated at $77.45 per rentable square foot per year).

5. Tenant's Share. From and after the ES Commencement Date, Tenant's Share is calculated as 23.187% (20,751 / 89,496) and Tenant's Tax Share is calculated as 23.187% (20,751 / 89,496).

6. Tenant's ES Work.

(a) *Tenant's ES Work.* Tenant shall have the right to perform Alterations to the Expansion Space in accordance with the terms of the Lease, including without limitation Section II thereof ("**Tenant's ES Work**"). Except for the ES Allowance (hereinafter defined) and the ES Additional Allowance (hereinafter defined), all of Tenant's ES Work shall be performed at Tenant's sole cost and expense.

(b) *ES Allowance*.

(i) As an inducement to Tenant's entering into this Second Amendment, Landlord shall, subject to Section 6(b)(ii) below and the last sentence of this Section 6(b)(i), provide to Tenant a special tenant improvement allowance equal to Ninety-One Thousand Three Hundred Twenty and

00/100 Dollars ($91,320.00) (the "ES Allowance") to be

(2) For purposes hereof, Expansion Space Year 1 shall commence on the ES Rent Commencement Date and shall end on the last day of the month in which the first (1st) anniversary of the ES Rent Commencement Date occurs; provided, however, that if the ES Rent Commencement Date occurs on the first day of a calendar month, then Expansion Space Year 1 shall end on the day immediately preceding the first (1st) anniversary of the ES Rent Commencement Date. Thereafter, "**Expansion Space Year**" shall be defined as any subsequent twelve (12) month period during the Term of the Lease.

used by Tenant solely for costs incurred by Tenant for Tenant's ES Work. For the purposes hereof, the cost to be so reimbursed by Landlord shall not include (A) the cost of any of Tenant's Property, including without limitation telecommunications and computer equipment and all associated wiring and cabling, any de-mountable decorations, artwork and partitions, signs, and trade fixtures, (B) the cost of any fixtures or Alterations that will be removed at the end of the Term, (C) any fees paid to Tenant, any Affiliate or Successor, (D) more than Thirteen Thousand Six Hundred Ninety-Eight Dollars ($13,698) of any architectural and/or engineering fees, and (E) any other so-called "soft costs."

(ii) Subject to Section 6(b)(iii) below, Landlord shall pay the ES Allowance to Tenant within thirty (30) days after receipt of (A) reasonable evidence of the substantial completion of Tenant's ES Work, (B) reasonable evidence that the cost of Tenant's ES Work, less the amounts referenced in the last sentence of Section 6(b)(i) above, equaled or exceeded the ES Allowance (including, without limitation, invoices from Tenant's contractors, vendors, service providers and consultants (collectively, "**Contractors**") and certifications executed by the Chief Financial Officer or Treasurer of Tenant as to the total cost of Tenant's ES Work and compliance with this Section 6(b)), and (C) final lien waivers and subordinations of lien, as specified in M.G.L. Chapter 254, Section 32 ("**Lien Waivers**") with respect to all items, services and work performed in connection with Tenant's ES Work.

If Tenant elects to perform Tenant's ES Work in phases, (x) Tenant shall notify Landlord in writing of such election prior to or simultaneously with substantial completion of the first phase thereof, (y) the references in the first paragraph of this Section 6(b)(ii) to "Tenant's ES Work" shall be deemed to refer to "the applicable phase of Tenant's ES Work," and (z) the provisions of this paragraph will apply. If the cost of the first phase of Tenant's ES Work, less the amounts referenced in the last sentence of Section 6(b)(i) above, is equal to or exceeds the ES Allowance (and the ES Additional Allowance, if applicable), then Landlord shall pay the entire ES Allowance (and the ES Additional Allowance, if applicable) to Tenant within thirty (30) days after receipt of the items referenced in the first paragraph of this Section 6(b)(ii) (as modified by this paragraph). If the cost of the first phase of Tenant's ES Work (less the amounts referenced in the last sentence of Section 6(b)(i) above) is less than the ES Allowance (and the ES Additional Allowance, if applicable), then Landlord shall reimburse Tenant for the cost of each phase of Tenant's ES Work (less the amounts referenced in the last sentence of Section 6(b)(i) above) within thirty (30) days after receipt of the items referenced in the first paragraph of this Section 6(b)(ii) (as modified by this paragraph) applicable to such phase until the ES Allowance (and the ES Additional Allowance, if applicable) has been paid in full, it being acknowledged and agreed that in no event shall such reimbursements in the aggregate exceed the ES Allowance (and the ES Additional Allowance, if applicable).

(iii) Notwithstanding anything to the contrary herein contained: (A) Landlord shall have no obligation to pay any portion of the ES Allowance and/or the ES Additional Allowance (collectively, the "**Allowances**") (x) before the ES Commencement Date or (y) after the date (the "**Outside Requisition Date**") which is twelve (12) months after the ES Commencement Date; provided, however, that if Tenant certifies to Landlord that it is engaged in a good faith dispute with any contractor, such Outside Requisition Date shall be extended while such dispute is ongoing, so long as Tenant is diligently prosecuting the resolution of such dispute; (B) Tenant shall not be entitled to any unused portion of the Allowances; and

(C) Landlord's obligation to pay any portion of the Allowances shall be conditioned upon there existing no default by Tenant in its obligations under the Lease at the time that Landlord would otherwise be required to make such payment (it being understood and agreed that if Tenant cures such default prior to the expiration of the notice and/or cure periods set forth in Section 20,1 of the Lease, Landlord shall make such payment promptly after the cure is effectuated).

(c) *ES Additional Allowance.* By written notice (the "**ES Additional Allowance Notice**") delivered to Landlord on or before the date that is six (6) months following the ES Commencement Date, *time being of the essence*, Tenant shall have the right to receive an additional allowance in an amount not to exceed One Hundred Thirty-Six Thousand Nine Hundred Eighty and 00/100 Dollars ($136,980.00) (the "**ES Additional Allowance**"). If Tenant timely delivers the ES Additional Allowance Notice, the ES Additional Allowance shall be paid in accordance with the process described in Section 6(b) above with respect to the ES Allowance. Commencing on the first day of the calendar month immediately after the Outside Requisition Date and thereafter during the balance of the Initial Term (as extended by this Second Amendment), at the same time and place as provided in the Lease for the payment of Base Rent, Tenant shall repay to Landlord, as additional rent hereunder, the total amount of the ES Additional Allowance paid by Landlord in equal monthly installments based upon an interest rate of 8.0% per annum and amortized over the balance of the Initial Term of the Lease. If Tenant timely requests the ES Additional Allowance, Landlord shall prepare and the parties shall execute an amendment to the Lease specifying the repayment schedule therefor. Notwithstanding anything to the contrary contained herein, the entire outstanding balance of the ES Additional Allowance shall be paid by Tenant to Landlord within thirty (30) days after any earlier termination of this Lease.

7. Parking. Commencing on the ES Commencement Date, Landlord shall, subject to the terms of Section 1.2(b) of the Lease, make available nine (9) additional parking passes for Tenant's use in the parking areas located in the lot in front of the Building which serve the Building (subject to Landlord's relocation right set forth in Section 1.4(b) of the Lease). Notwithstanding anything to the contrary, so long as such parking areas are leased or subleased to a third party, all payments required to be made by Tenant with respect to parking shall be paid to such parking tenant.

8. Emergency Generator. Landlord's obligations with respect to the Back-up Generator shall be as set forth in Exhibit 8 to the Lease.

9. Notices to Tenant. Until Tenant changes the address or specifies an additional address for Notices in accordance with Section 24 of the Lease, Notices to Tenant shall be addressed to Tenant at the Premises, Attention: Elan Ezickson, with copies to (a) Tenant at the Premises, Attention: Scott Murphy, and (b) Goodwin Procter LLP, 100 Northern Avenue, Boston, MA 02210, Attention: Nicole W. Riley, Esq.

10. Broker. Tenant and Landlord each represents and warrants that it has dealt with no broker in connection with the consummation of this Second Amendment other than Newmark Knight Frank (which represented Landlord) and Transwestern Consulting Group (which represented Tenant) (collectively referred to as "**Broker**"). Tenant and Landlord each agrees to defend, indemnify and save the other harmless from and against any Claims arising in breach of

its representation and warranty set forth in the immediately preceding sentence. Landlord shall be solely responsible for the payment of any brokerage commissions to Broker pursuant to one or more separate agreements.

11. Ratification. Except as amended hereby, the terms and conditions of the Lease shall remain unaffected. From and after the date hereof, all references to the Lease shall mean the Lease as amended hereby. Additionally, Landlord and Tenant each confirms and ratifies that, as of the date hereof and to its actual knowledge, (a) the Lease is and remains in good standing and in full force and effect, and (b) neither party has any claims, counterclaims, set-offs or defenses against the other party arising out of the Lease or the Premises or in any way relating thereto or arising out of any other transaction between Landlord and Tenant.

12. Miscellaneous. This Second Amendment shall be deemed to have been executed and delivered within the Commonwealth of Massachusetts, and the rights and obligations of Landlord and Tenant hereunder shall be construed and enforced in accordance with, and governed by, the laws of the Commonwealth of Massachusetts without regard to the laws governing conflicts of laws. If any term of this Second Amendment or the application thereof to any person or circumstances shall be invalid and unenforceable, the remaining provisions of this Second Amendment, the application of such term to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected. This Second Amendment is binding upon and shall inure to the benefit of Landlord and Tenant and their respective successors and assigns. Each party has cooperated in the drafting and preparation of this Second Amendment and, therefore, in any construction to be made of this Second Amendment, the same shall not be construed against either party. In the event of litigation relating to this Second Amendment, the prevailing party shall be entitled to reimbursement from the other party of its reasonable attorneys' fees and costs. This Second Amendment constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous oral and written agreements and discussions, and may not be amended, waived, discharged or terminated except by a written instrument signed by all the parties hereto. A facsimile, PDF or other electronic signature on this Second Amendment shall be equivalent to, and have the same force and effect as, an original signature.

[signatures on following page]

[SIGNATURE PAGE TO SECOND AMENDMENT TO LEASE BY AND BETWEEN
620 MEMORIAL LEASEHOLD LLC AND SCHOLAR ROCK, INC.]

EXECUTED under seal as of the date first set forth above.

LANDLORD:

620 MEMORIAL LEASEHOLD LLC
By: MIT Cambridge Real Estate LLC, its manager

By: _____
Seth D. Alexander, President and not individually

TENANT:

SCHOLAR ROCK, INC.

By: _____
Name: _____
Title: _____

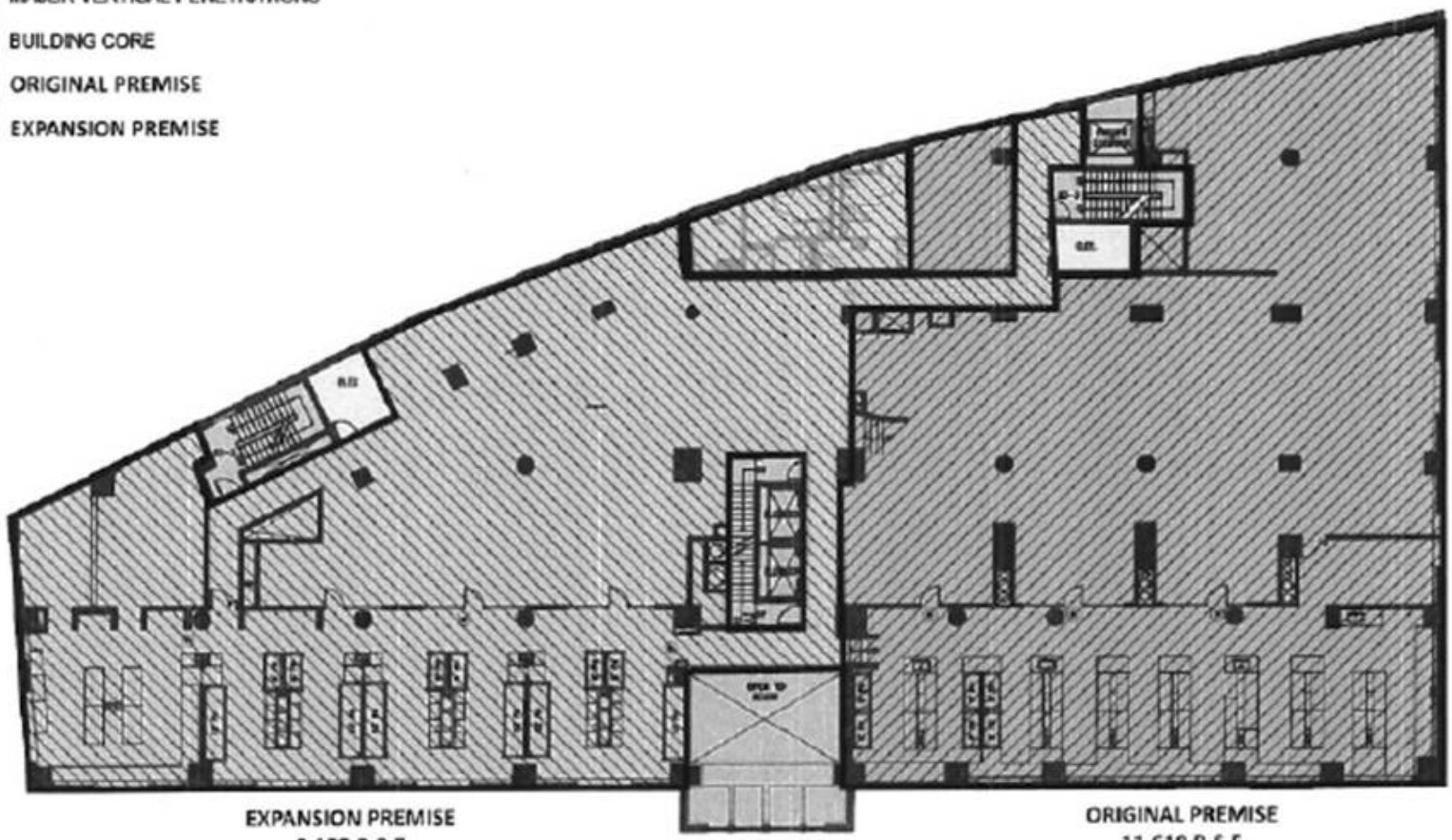
EXHIBIT A

PLAN OF EXPANSION SPACE

EXHIBIT A

LEGEND

- MAJOR VERTICAL PENETRATIONS
- BUILDING CORE
- ORIGINAL PREMISE
- EXPANSION PREMISE



EXPANSION PREMISE
9,132 R.S.F

ORIGINAL PREMISE
11,619 R.S.F

620 MEMORIAL DRIVE, CAMBRIDGE, MA

Building & Tenant Improvements

Second Floor Plan