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

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2021

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number: 001-38721

Axonics, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**45-4744083**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**
26 Technology Drive Irvine, California	**92618**
(Address of principal executive offices)	**(Zip Code)**

(949) 396-6322

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Exchange Act:

Title of class	Trading symbol	Name of exchange on which registered
Common stock, par value $0.0001 per share	AXNX	Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

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

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 3, 2021, 41,903,986 shares of the registrant's common stock, par value $0.0001 per share, were outstanding.

TABLE OF CONTENTS

Special Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act), that involve risks and uncertainties, including statements based on our current expectations, assumptions, estimates and projections about future events, our business, financial condition, results of operations and prospects, our industry and the regulatory environment in which we operate. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. In some cases, you can identify forward-looking statements by terms such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “will,” “would” or the negative of those terms, or other comparable terms intended to identify statements about the future. Forward-looking statements include, but are not limited to, statements about:

- unanticipated safety concerns related to the use of our products;
- U.S. Food and Drug Administration (FDA) or other U.S. or foreign regulatory or legal actions or changes affecting us or our industry;
- the results of any ongoing or future legal proceedings, including but not limited to intellectual property, product liability or other litigation against us, our third-party manufacturers or other parties on which we rely or litigation against our general industry;
- any termination or loss of intellectual property rights;
- any voluntary or regulatory mandated product recalls;
- adverse developments concerning our manufacturers or suppliers or any future strategic partnerships;
- introductions and announcements of new technologies by us, any commercialization partners or our competitors, and the timing of these introductions and announcements;
- successful integration of acquired operations into out ongoing business;
- announcements of regulatory approval or disapproval of our products and any future enhancements to our products;
- adverse results from or delays in clinical studies of our products;
- variations in our financial results or those of companies that are perceived to be similar to us;
- success or failure of competitive products or therapies in the markets in which we do business;
- changes in the structure of healthcare payment of our products;
- announcements by us or our competitors of significant acquisitions, licenses, strategic partnerships, joint ventures or capital commitments;
- economic and market conditions in general and in the medical technology industry, specifically, including the size and growth, if any, of the market, and issuance of securities analysts’ reports or recommendations;
- rumors and market speculation involving us or other companies in our industry;
- sales of substantial amounts of our stock by directors, officers or significant stockholders, or the expectation that such sales might occur;
- additions or departures of key personnel;
- changes in our capital structure, such as future issuances of securities and the incurrence of additional debt; and
- the continued impact of the novel coronavirus (COVID-19) pandemic, and the related responses of the government and consumers on our business, financial condition and results of operations.

The forward-looking statements included herein are based on current expectations of our management based on available information and involve a number of risks and uncertainties, all of which are difficult or impossible to predict accurately and many of which are beyond our control. As such, our actual results may differ significantly from those expressed in any forward-looking statements. Factors that may cause or contribute to such differences include, but are not limited to, those discussed in more detail in Item 2 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of Part I and Item 1A “Risk Factors” of Part II of this Quarterly Report on Form 10-Q. Readers should carefully review these risks, as well as the additional risks described in other documents we file from time to time with the Securities and Exchange Commission (SEC). In light of the significant risks and uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by us or any other person that such results will be achieved, and readers are cautioned not to place undue reliance on such forward-looking statements. Except as required by law, we undertake no obligation to revise the forward-looking statements contained herein to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. You should read this Quarterly Report on Form 10-Q and the documents we file with the SEC, with the understanding that our actual future results, levels of activity, performance and achievements may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

Unless the context indicates otherwise, as used in this Quarterly Report on Form 10-Q, the terms “Axonics,” “our company,” “we,” “us” and “our” refer to Axonics, Inc. and our consolidated subsidiaries.

This Quarterly Report on Form 10-Q includes our trademarks and trade names, including, without limitation, r-SNM®, Axonics SNM System® and Bulkamid®, which are our property and are protected under applicable intellectual property laws. This Quarterly Report on Form 10-Q also includes trademarks and trade names that are the property of other organizations. Solely for convenience, trademarks and trade names referred to in this Quarterly Report on Form 10-Q appear without the ® and ™ symbols, but those references are not intended to indicate that we will not assert, to the fullest extent under applicable law, our rights, or that the applicable owner will not assert its rights, to these trademarks and trade names. We do not intend our use or display of other companies’ trade names or trademarks to imply a relationship with, or endorsement or sponsorship of us by, any other companies.

Part I—Financial Information

Item 1. Condensed Consolidated Financial Statements (unaudited)

Axonics, Inc.
Condensed Consolidated Balance Sheets
(in thousands, except share and per share data)

	March 31, 2021	December 31, 2020
	(unaudited)	
ASSETS		
Current assets		
Cash and cash equivalents	$ 130,962	$ 241,181
Accounts receivable, net of allowance for doubtful accounts of $412 and $465 at March 31, 2021 and December 31, 2020, respectively	21,509	18,270
Inventory, net	71,243	63,060
Prepaid expenses and other current assets	4,658	5,435
Total current assets	228,372	327,946
Property and equipment, net	6,048	6,328
Intangible assets, net	115,023	196
Other assets	8,145	7,736
Goodwill	87,382	—
Total assets	$ 444,970	$ 342,206
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 11,446	$ 10,660
Accrued liabilities	5,868	6,684
Accrued compensation and benefits	5,348	5,948
Operating lease liability, current portion	1,362	1,280
Debt, net of unamortized debt issuance costs, current portion	22	21,110
Total current liabilities	24,046	45,682
Operating lease liability, net of current portion	8,849	9,154
Debt, net of unamortized debt issuance costs, net of current portion	75,171	—
Other long-term liabilities	6,750	—
Total liabilities	114,816	54,836
Stockholders' equity		
Preferred stock, par value $0.0001 per share; 10,000,000 shares authorized, no shares issued and outstanding at March 31, 2021 and December 31, 2020	—	—
Common stock, par value $0.0001, 50,000,000 shares authorized at March 31, 2021 and December 31, 2020; 41,827,068 and 39,931,030 shares issued and outstanding at March 31, 2021 and December 31, 2020, respectively	4	4
Additional paid-in capital	589,785	522,296
Accumulated deficit	(257,002)	(234,499)
Accumulated other comprehensive loss	(2,633)	(431)
Total stockholders' equity	330,154	287,370
Total liabilities and stockholders' equity	$ 444,970	$ 342,206

See accompanying notes to unaudited condensed consolidated financial statements.

Axonics, Inc.
Condensed Consolidated Statements of Comprehensive Loss
(in thousands, except share and per share data)
(unaudited)

	Three Months Ended March 31,	
	2021	**2020**
Sacral neuromodulation net revenue	$ 32,903	$ 26,296
Bulkamid net revenue	1,470	—
Total net revenue	34,373	26,296
Cost of goods sold	13,974	9,895
Gross profit	20,399	16,401
Operating Expenses		
Research and development	9,369	6,855
General and administrative	6,626	7,653
Sales and marketing	20,928	16,569
Amortization of intangible assets	678	29
Acquisition-related costs	4,414	—
Total operating expenses	42,015	31,106
Loss from operations	(21,616)	(14,705)
Other Income (Expense)		
Interest income	8	642
Interest and other expense	(1,450)	(552)
Other (expense) income, net	(1,442)	90
Loss before income tax (benefit) expense	(23,058)	(14,615)
Income tax (benefit) expense	(555)	1
Net loss	(22,503)	(14,616)
Foreign currency translation adjustment	(2,202)	(177)
Comprehensive loss	$ (24,705)	$ (14,793)
Net loss per share, basic and diluted (see Note 1)	$ (0.57)	$ (0.43)
Weighted-average shares used to compute basic and diluted net loss per share (see Note 1)	39,613,964	33,637,646

See accompanying notes to unaudited condensed consolidated financial statements.

Axonics, Inc.
Condensed Consolidated Statements of Stockholders' Equity
(in thousands, except share and per share data)
(unaudited)

	Common Stock		Additional Paid-in	Accumulated	Accumulated Other Comprehensive	
	Shares	Amount	Capital	Deficit	Loss	Total
Balance at December 31, 2020	39,931,030	$ 4	$ 522,296	$ (234,499)	$ (431)	$ 287,370
Issuance of common stock for employee stock option exercises for cash	206,507	—	2,821	—	—	2,821
Restricted Shares Award (RSA) issuances and forfeitures for terminations, net and stock-based compensation	358,300	—	3,809	—	—	3,809
Issuance of common stock for vesting of Restricted Stock Units (RSU) and stock-based compensation	169,054	—	1,494	—	—	1,494
Issuance of common stock for acquisition of Contura Holdings Limited	1,096,583	—	55,728	—	—	55,728
Issuance of common stock for exclusive license asset	65,594	—	3,637	—	—	3,637
Foreign currency translation adjustment	—	—	—	—	(2,202)	(2,202)
Net loss	—	—	—	(22,503)	—	(22,503)
Balance at March 31, 2021	41,827,068	$ 4	$ 589,785	$ (257,002)	$ (2,633)	$ 330,154

	Common Stock		Additional Paid-in	Accumulated	Accumulated Other Comprehensive	
	Shares	Amount	Capital	Deficit	Loss	Total
Balance at December 31, 2019	34,110,995	$ 3	$ 363,012	$ (179,584)	$ (428)	$ 183,003
Issuance of common stock for employee stock option exercises for cash	181,456	—	344	—	—	344
RSA issuances and forfeitures for terminations, net and stock-based compensation	171,875	—	3,039	—	—	3,039
Issuance of common stock for vesting of RSU and stock-based compensation	46,336	—	883	—	—	883
Foreign currency translation adjustment	—	—	—	—	(177)	(177)
Net loss	—	—	—	(14,616)	—	(14,616)
Balance at March 31, 2020	34,510,662	$ 3	$ 367,278	$ (194,200)	$ (605)	$ 172,476

See accompanying notes to unaudited condensed consolidated financial statements.

Axonics, Inc.
Condensed Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	Three Months Ended March 31,	
	2021	**2020**
Cash Flows from Operating Activities		
Net loss	$ (22,503)	$ (14,616)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation and amortization	1,133	380
Stock-based compensation	5,303	3,922
Amortization of debt issuance costs	567	235
Provision for doubtful accounts	(65)	514
Other items, net	(577)	—
Changes in operating assets and liabilities, net of business acquisition		
Accounts receivable	(1,480)	(13,405)
Inventory	(7,193)	(3,571)
Prepaid expenses and other current assets	860	223
Other assets	(100)	228
Accounts payable	914	1,558
Accrued liabilities	(1,569)	936
Accrued compensation and benefits	(915)	128
Lease liability	42	161
Net cash used in operating activities	(25,583)	(23,307)
Cash Flows from Investing Activities		
Purchases of property and equipment	(123)	(714)
Acquisition of a business, net of cash acquired	(140,741)	—
Proceeds from sales and maturities of short-term investments	—	12,592
Net cash (used in) provided by investing activities	(140,864)	11,878
Cash Flows from Financing Activities		
Payment of debt issuance costs	(106)	—
Proceeds from debt	75,000	—
Repayment of debt	(21,500)	—
Proceeds from exercise of stock options	2,821	344
Net cash provided by financing activities	56,215	344
Effect of exchange rate changes on cash and cash equivalents	13	(177)
Net decrease in cash and cash equivalents	(110,219)	(11,262)
Cash and cash equivalents, beginning of year	241,181	171,082
Cash and cash equivalents, end of period	$ 130,962	$ 159,820
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	$ 170	$ 329
Cash paid for taxes	$ —	$ —
Noncash Investing and Financing Activities		
Common stock issuance for business acquisition	$ 55,728	$ —
Contingent consideration for business acquisition	$ 6,750	$ —
Common stock issuance for exclusive license asset	$ 3,637	$ —
Accrued loan fees as debt issuance costs	$ 4,500	$ —

See accompanying notes to unaudited condensed consolidated financial statements.

AXONICS, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Axonics, Inc. (the Company) was incorporated in the state of Delaware on March 2, 2012 under the name American Restorative Medicine, Inc. In August 2013, we changed our name to Axonics Modulation Technologies, Inc. In March 2021, we changed our name to Axonics, Inc. The Company had no operations until October 1, 2013, when the license agreement between Alfred E. Mann Foundation for Scientific Research (AMF) and the Company (the License Agreement) was entered into. The Company is a medical technology company that has developed and is commercializing innovative and minimally invasive implantable neurostimulation systems. The Company has designed and developed the rechargeable sacral neuromodulation (SNM) system (r-SNM System), which delivers mild electrical pulses to the targeted sacral nerve in order to restore normal communication to and from the brain to reduce the symptoms of overactive bladder (OAB), urinary retention (UR) and fecal incontinence (FI). The r-SNM System is protected by intellectual property based on Company-generated innovations and patents and other intellectual property licensed from AMF. The Company has marketing approvals in the United States, Europe, Canada, and Australia for all relevant clinical indications. The premarket approval (PMA) application for the r-SNM System for the treatment of FI was approved by the U.S. Food and Drug Administration (FDA) on September 6, 2019, and the PMA application for the r-SNM System for the treatment of OAB and UR was approved by the FDA on November 13, 2019. Accordingly, the Company began U.S. commercialization of its r-SNM System in the fourth quarter of 2019. Prior to the fourth quarter of 2019, the Company derived revenue only from its international operations in select markets including England, the Netherlands and Canada, and its activities have consisted primarily of developing the r-SNM System, conducting its RELAX-OAB post-market clinical follow-up study in Europe, its ARTISAN-SNM pivotal clinical study in the United States and hiring and training its U.S. commercial team in preparation for the launch of the r-SNM System in the United States.

May 2020 Follow-On Offering

On May 12, 2020, the Company completed a follow-on offering by issuing 4,600,000 shares of common stock, at an offering price of $32.50 per share, inclusive of 600,000 shares of the Company's common stock issued upon the exercise by the underwriters of their option to purchase additional shares. The net proceeds to the Company were approximately $140.5 million, after deducting underwriting discounts, commissions and offering expenses payable by the Company.

Principles of Consolidation

The accompanying unaudited interim condensed consolidated financial statements include the accounts of the Company, its wholly-owned subsidiaries, Axonics Europe, S.A.S., Axonics Modulation Technologies U.K. Limited, Axonics Modulation Technologies Australia Pty Ltd, Axonics Women's Health Limited, Bulkamid SARL, and Axonics GmbH. Intercompany accounts and transactions have been eliminated in consolidation.

Basis of Presentation

Interim Financial Statements

The interim condensed consolidated financial statements and related footnote disclosures as of and for the three months ended March 31, 2021 are unaudited, and are not necessarily indicative of the Company's operating results for a full year. The unaudited interim condensed consolidated financial statements include all normal and recurring adjustments necessary for a fair presentation of the Company's financial results for the three months ended March 31, 2021 in accordance with United States (U.S.) generally accepted accounting principles (GAAP), however, certain information and footnote disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to the U.S. Securities and Exchange Commission (SEC) rules and regulations relating to interim financial statements. The accompanying unaudited condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and notes thereto included within the Company's *Annual Report on Form 10-K for the fiscal year ended* December 31, 2020 (filed with the SEC on March 1, 2021).

COVID-19

The recent COVID-19 outbreak, and the resulting restrictions intended to slow the spread of COVID-19, including stay-at-home orders, business shutdowns and other restrictions, has adversely affected the Company's business in several ways. The primary impact on the Company's business was the cancellation or delay of elective procedures in certain areas to allow health care facilities to prioritize the treatment of COVID-19 patients during the initial stages of the pandemic or because patients are avoiding health care facilities that they feel are unsafe. These developments materially reduced the number of procedures using the Company's r-SNM System. If governmental authorities recommend that it is deemed advisable for health care facilities to not perform outpatient elective procedures as was the case in late March and April of 2020, the Company expects it would materially harm the Company's revenues and potentially increase the Company's operating loss. These challenges will likely continue for the duration of the pandemic and could reduce our revenue and negatively impact our business, financial condition and results of operations while the pandemic continues. If these delays in procedures occur in the future, the Company may have to scale back its business, including reducing headcount, which could have a negative impact on the Company's long-term operations. The Company could also experience other negative impacts of the COVID-19 outbreak such as the lack of availability of the Company's key personnel, temporary closures of the Company's office or the facilities of the Company's business partners, customers, third party service providers or other vendors, and the interruption of the Company's supply chain, distribution channels, liquidity and capital or financial markets.

Any disruption and volatility in the global capital markets as a result of the pandemic may increase the Company's cost of capital and adversely affect the Company's ability to access financing when and on terms that the Company desires. In addition, a recession resulting from the spread of COVID-19 could materially affect the Company's business, especially if a recession results in higher unemployment causing potential patients to not have access to health insurance.

The ultimate extent to which the COVID-19 pandemic and its repercussions impact the Company's business will depend on future developments, which are highly uncertain. However, the foregoing and other continued disruptions to the Company's business as a result of COVID-19 could result in a material adverse effect on the Company's business, results of operations, financial condition and cash flows.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with GAAP requires the Company's management to make estimates and judgments that affect the reported amounts of assets, liabilities, and expenses, and related disclosure of contingent assets and liabilities. The Company bases its estimates on historical experience and on various other assumptions that it believes to be reasonable under the circumstances. The results of this evaluation then form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions, and such differences may be material to the consolidated financial statements.

Revenue Recognition

Revenue recognized during the three months ended March 31, 2021 and 2020 relates entirely to the sale of our r-SNM System and Bulkamid.

The Company has revenue arrangements that consist of a single performance obligation. The Company recognizes revenue at the point in time when it transfers control of promised goods to its customers. Revenue is measured as the amount of consideration it expects to receive in exchange for transferring goods. The amount of revenue that is recognized is based on the transaction price, which represents the invoiced amount and includes estimates of variable consideration such as discounts, where applicable. The Company does not offer rights of return or price protection. The amount of variable consideration included in the transaction price may be constrained and is included only to the extent that it is probable that a significant reversal in the amount of the cumulative revenue recognized under the contract will not occur in a future period. Payment terms, typically less than three months, are offered to the Company's customers and do not include a significant financing component. The Company extends credit to its customers based upon an evaluation of the customer's financial condition and credit history and generally requires no collateral. The Company does not have any contract balances related to product sales. The Company also does not have significant contract acquisition costs related to product sales.

In accordance with Company policy and based on the Company's historical experience, the allowance for product returns was $0.2 million and $0.3 million at March 31, 2021 and December 31, 2020, respectively. Damaged or defective products are replaced at no charge under the Company's standard warranty. For the three months ended March 31, 2021 and March 31, 2020, the replacement costs were $0.1 million and minimal, respectively.

Shipping and handling costs incurred for the delivery of goods to customers are included in cost of goods sold. Amounts billed to customers for shipping and handling are included in net revenue.

The following table provides additional information pertaining to net revenue disaggregated by geographic market for the three months ended March 31, 2021 and 2020 (in thousands):

	Three Months Ended March 31,	
	2021	2020
United States	$ 32,323	$ 25,046
International markets	2,050	1,250
Total net revenue	$ 34,373	$ 26,296

Allowance for Doubtful Accounts

The Company makes estimates of the collectability of accounts receivable. Upon adoption of ASU 2016-13 effective January 1, 2020, the Company did not recognize an adjustment to the beginning balance of retained earnings as the impact from adoption was not material. The Company's estimate of future losses is made by management based upon historical bad debts, customer receivable balances, age of customer receivable balances, customers' financial conditions and reasonable forecasted economic trends. Despite the Company's efforts to minimize credit risk exposure, clients could be adversely affected if future economic and industry trends, including those related to COVID-19, change in such a manner as to negatively impact their cash flows. The full effects of COVID-19 on the Company's clients are highly uncertain and cannot be predicted. As a result, the Company's future collection experience can differ significantly from historical collection trends. If the Company's clients experience a negative impact on their cash flows, it could have a material adverse effect on the Company's results of operations and financial condition.

The following table summarizes the changes in our allowance for doubtful accounts (in thousands):

	Three Months Ended March 31,	
	2021	2020
Balance at beginning of period	$ 465	$ 75
Write-offs	12	—
Bad debt expense	(65)	514
Balance at end of period	$ 412	$ 589

Cash and Cash Equivalents

Cash equivalents consist of short-term, highly liquid investments purchased with an original maturity of three months or less. Financial instruments that potentially subject the Company to a concentration of credit risk consist of cash and cash equivalents. At times, the cash and cash equivalent balances may exceed federally insured limits. The Company does not believe that this results in any significant credit risk as the Company's policy is to place its cash and cash equivalents in highly-rated financial institutions.

Fair Value of Financial Instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A three-level fair value hierarchy prioritizes the inputs used to measure fair value. The hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

- Level 1: Inputs are unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2: Inputs are quoted prices for similar assets and liabilities in active markets or quoted prices for identical or similar instruments in markets that are not active and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets.
- Level 3: Inputs are unobservable inputs based on the Company's assumptions and valuation techniques used to measure assets and liabilities at fair value. The inputs require significant management judgment or estimation.

The Company's assessment of the significance of an input to the fair value measurement requires judgment, which may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels. The carrying amounts reported in the condensed consolidated financial statements approximate the fair value for cash and cash equivalents, accounts receivable, accounts payables, and accrued expenses, due to their short-term nature. The carrying amount of the Company's term loan, which is described below, approximates fair value, considering the interest rates are based on the prime interest rate.

The purchase price of business acquisitions is primarily allocated to the tangible and identifiable intangible assets acquired and liabilities assumed based on their estimated fair values on the acquisition date, with the excess recorded as goodwill. We utilize Level 3 inputs in the determination of the initial fair value.

Contingent consideration represents contingent milestone, performance and revenue-sharing payment obligations related to acquisitions and is measured at fair value, based on significant inputs not observable in the market, which represents a Level 3 measurement within the fair value hierarchy. The valuation of contingent consideration uses assumptions we believe would be made by a market participant. We assess these assumptions on an ongoing basis as additional data impacting the assumptions is obtained. The fair value of contingent consideration is recorded in business acquisition liabilities on our condensed consolidated balance sheets.

Investment Securities

The Company classifies its investment securities as available-for-sale. Those investments in debt securities with maturities less than 12 months at the date of purchase are considered short-term investments. Those investments in debt securities with maturities greater than 12 months at the date of purchase are considered long-term investments. The Company's investment securities classified as available-for-sale are recorded at fair value based on the fair value hierarchy (Level 1 and Level 2 inputs in the fair value hierarchy), and consists primarily of commercial paper, corporate notes and U.S. government and agency securities. Unrealized gains or losses, deemed temporary in nature, are reported as other comprehensive income within the condensed consolidated statement of comprehensive income (loss). There were no unrealized gains or losses during the three months ended March 31, 2021 and 2020.

A decline in the fair value of any security below cost that is deemed other than temporary results in a charge to net income (loss) and the corresponding establishment of a new cost basis for the security. Premiums (discounts) are amortized (accreted) over the life of the related security as an adjustment to yield using the straight-line interest method. Dividend and interest income are recognized when earned. Realized gains or losses are included in net income (loss) and are derived using the specific identification method for determining the cost of securities sold.

The Company had no outstanding investment securities as of March 31, 2021 and December 31, 2020.

Foreign Currency Translation

The functional currencies of the Company's subsidiaries are currencies other than the U.S. dollar. The Company translates assets and liabilities of the foreign subsidiaries into U.S. dollars at the exchange rate in effect on the balance sheet date. Costs and expenses of the subsidiaries are translated into U.S. dollars at the average exchange rate during the period. Gains or losses from these translation adjustments are reported as a separate component of stockholders' equity in accumulated other comprehensive loss until there is a sale or complete or substantially complete liquidation of the Company's investment in the foreign subsidiary at which time the gains or losses will be realized and included in net income (loss). As of March 31, 2021 and December 31, 2020, all foreign currency translation gains (losses) have been unrealized and included in accumulated other comprehensive loss. Accumulated other comprehensive loss consists entirely of losses or gains from translation of foreign subsidiaries at March 31, 2021 and December 31, 2020.

Inventory, Net

Inventories are stated at the lower of cost or net realizable value, with cost computed on a first-in, first-out basis. The Company reduces the carrying value of inventories for items that are potentially excess, obsolete, or slow-moving based on changes in customer demand, technology developments, or other economic factors.

The Company capitalizes inventory produced for commercial sale. The Company capitalizes manufacturing costs as inventory following both the receipt of regulatory approval from regulatory bodies and the Company's intent to commercialize. Costs associated with developmental products prior to satisfying the Company's inventory capitalization criteria are charged to research and development expense as incurred.

Products that have been approved by certain regulatory authorities may also be used in clinical programs to assess the safety and efficacy of the products for usage that have not been approved by the FDA or other regulatory authorities. The form of product utilized for both commercial and certain clinical programs that are identical are included as inventory with an "alternative future use" as defined in authoritative guidance. Component materials and purchased products associated with clinical development programs are included in inventory and charged to research and development expense when the product enters the research and development process and no longer can be used for commercial purposes and, therefore, does not have an "alternative future use."

For products that are under development and have not yet been approved by regulatory authorities, purchased component materials are charged to research and development expense when the inventory ownership transfers to the Company.

The Company analyzes inventory levels to identify inventory that may expire prior to sale, inventory that has a cost basis in excess of its net realizable value, or inventory in excess of expected sales requirements. Although the manufacturing of the r-SNM System is subject to strict quality control, certain batches or units of product may no longer meet quality specifications or may expire, which would require adjustments to the Company's inventory values. The Company also applies judgment related to the results of quality tests that are performed throughout the production process, as well as the understanding of regulatory guidelines, to determine if it is probable that inventory will be saleable. These quality tests are performed throughout the pre- and post-production processes, and the Company continually gathers information regarding product quality for periods after the manufacturing date. The r-SNM System currently has a maximum estimated shelf life range of 12 to 36 months and, based on sales forecasts, the Company expects to realize the carrying value of the product inventory. In the future, reduced demand, quality issues, or excess supply beyond those anticipated by management may result in a material adjustment to inventory levels, which would be recorded as an increase to cost of sales.

The determination of whether or not inventory costs will be realizable requires estimates by the Company's management. A critical input in this determination is future expected inventory requirements based on internal sales forecasts. Management then compares these requirements to the expiry dates of inventory on hand. To the extent that inventory is expected to expire prior to being sold, management will write down the value of inventory.

As of March 31, 2021, the Company had $38.9 million, $13.4 million and $18.9 million of finished goods inventory, work-in-process inventory and raw materials inventory, respectively. Reserves were de minimus as of March 31, 2021. As of December 31, 2020, the Company had $42.1 million, $3.5 million and $17.5 million of

finished goods inventory, work-in-process inventory and raw materials inventory, respectively. Reserves were de minimus as of December 31, 2020.

Customer and Vendor Concentration

As of March 31, 2021 and December 31, 2020, there were no customers who accounted for over 10% of the Company's consolidated accounts receivable. As of March 31, 2021 and December 31, 2020, was zero and one vendor, respectively, who accounted for over 10% of the Company's consolidated accounts payable.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally between three and seven years. Leasehold improvements are amortized over the lesser of the life of the lease or the useful life of the improvements. Maintenance and repairs are charged to expense as incurred. When assets are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the balance sheet and any resulting gain or loss is reflected in operations.

Goodwill

Goodwill represents the excess purchase price over the fair values of the identifiable assets acquired less the liabilities assumed. Goodwill is tested for impairment at least annually. Goodwill is tested for impairment at the reporting unit level by comparing the reporting unit's carrying amount to the fair value of the reporting unit. The fair values are estimated using an income and discounted cash flow approach. We perform our annual impairment test for goodwill in the fourth quarter of each year. We consider qualitative indicators of the fair value of a reporting unit when it is unlikely that a reporting unit has impaired goodwill. During the three months ended March 31, 2021, we did not record any impairment charges related to goodwill.

Intangible Assets

Patent license asset

The intangible asset represents exclusive rights to an additional field-of-use on the patent suite within the License Agreement with AMF. The additional field-of-use was provided in exchange for 50,000 shares of Series A preferred stock, the fair value of which was $1.0 million in 2013. The intangible asset was recorded at its fair value of $1.0 million at the date contributed. In connection with the IPO, such shares of Series A preferred stock were converted into common stock. Amortization of this asset is recorded over the shorter of the patent or legal life on a straight-line basis. The weighted-average amortization period is 8.71 years. Accumulated amortization of this intangible asset is $0.8 million at March 31, 2021 and December 31, 2020. The amortization of this intangible asset was minimal during the three months ended March 31, 2021 and 2020. The Company will review the intangible asset for impairment whenever an impairment indicator exists. There have been no intangible asset impairment charges to date. For additional information, see Note 10.

Exclusive license asset

The intangible asset represents exclusive rights of existing technologies and development services from MST entered into on March 2, 2021. The agreement was provided in exchange for 65,594 shares of common stock, $0.0001 par value, the fair value of which was $3.6 million upon transfer. The intangible asset was recorded at its fair value of $3.3 million at the date of the agreement, with the difference of $0.3 million recorded as a vendor credit in accounts payable in the condensed consolidated balance sheets. Amortization of this asset is recorded over the four-year term of the agreement on a straight-line basis. There was no amortization of this intangible asset recorded during the three months ended March 31, 2021. The Company will review the intangible asset for impairment whenever an impairment indicator exists. There have been no intangible asset impairment charges to date. For additional information, see Note 10.

Contura acquisition

The intangible assets represent technology, trade names and trademarks, and customer relationships acquired from Contura on February 25, 2021. For additional information, see Notes 9 and 10.

Impairment of Long-Lived Assets

The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability is measured by comparing the carrying amount to the future net cash flows that the assets are expected to generate. If said assets are considered to be impaired, the impairment that would be recognized is measured by the amount by which the carrying amount of the assets exceeds the projected discounted future net cash flows arising from the asset. There have been no such impairments of long-lived assets to date.

Leases

In accordance with ASU No. 2016-02, "Leases (Topic 842)", components of a lease should be split into three categories: lease components, non-lease components, and non-components. The fixed and in-substance fixed contract consideration (including any consideration related to non-components) must be allocated based on the respective relative fair values to the lease components and non-lease components. Entities may elect not to separate lease and non-lease components. Rather, entities would account for each lease component and related non-lease component together as a single lease component. The Company has elected to account for lease and non-lease components together as a single lease component for all underlying assets and allocate all of the contract consideration to the lease component only. Topic 842 allows for the use of judgment in determining whether the assumed lease term is for a major part of the remaining economic life of the underlying asset and whether the present value of lease payments represents substantially all of the fair value of the underlying asset. The Company applies the bright line thresholds referenced in Topic 842 to assist in evaluating leases for appropriate classification. The aforementioned bright lines are applied consistently to the Company's entire portfolio of leases.

Operating lease ROU asset and operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. As the Company's lease does not provide an implicit rate, the Company uses its incremental borrowing rate, which is the rate for a fully collateralized amortizing loan with the same maturity as the lease term, based on the information available at commencement date in determining the present value of future payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives and initial direct costs incurred. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term.

Research and Development

Research and development costs are charged to operations as incurred. Research and development costs include salary and personnel-related costs, costs of clinical studies and testing, supplies and materials, and outside consultant costs.

Advertising Expense

The Company expenses advertising costs as they are incurred. During the three months ended March 31, 2021 and 2020, advertising expense totaled $1.4 million and $0.4 million, respectively, and are recorded within the sales and marketing expenses in its consolidated statements of comprehensive loss.

Income Taxes

The Company accounts for income taxes using the asset and liability method to compute the difference between the tax basis of assets and liabilities and the related financial amounts, using currently enacted tax rates. The Company has deferred tax assets. The realization of these deferred tax assets is dependent upon the Company's ability to generate sufficient taxable income in future years. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount that more likely than not will be realized. The Company evaluates the recoverability of the deferred tax assets annually, and maintains a full valuation allowance on its deferred tax assets. The Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The Company is subject to transfer pricing and other tax regulations designed to ensure that appropriate levels of income are reported as earned by the Company's U.S. and foreign entities and are taxed accordingly. In the normal course of business, the Company is audited by federal, state and foreign tax authorities, and subject to inquiries from those tax authorities regarding the amount of taxes due. These inquiries may relate to the timing and amount of deductions and the allocation of income among various tax jurisdictions. The Company's policy is to recognize interest and

penalties related to unrecognized tax benefits, if any, in income tax expense.

Stock-Based Compensation

The Company measures the cost of employee and non-employee services in exchange for an award of equity instruments based on the grant-date fair value of the award and recognizes compensation cost over the requisite service period (typically the vesting period), generally four years. Forfeitures are estimated at the time of the grant and revised in subsequent periods to reflect differences between the estimates and the number of shares that actually become exercisable.

The Company uses the Black-Scholes option pricing model to determine the fair value of stock options (as of the date of grant) that have service conditions for vesting. Stock options and restricted shares awards vest based on service conditions, typically over four years.

The Company also grants shares of performance-based restricted stock units that typically vest after one year only if the Company has also achieved certain performance objectives as defined and approved by the Company's board of directors. The fair value of performance awards are determined based on the Company's stock price at the date of grant and expensed over the performance period based on the probability of achieving the performance objectives. In addition, the Company also grants market-based restricted stock units that have combined market conditions and service conditions for vesting, for which the Company uses the Monte Carlo valuation model to value equity awards (as of the date of grant).

Net Loss per Share of Common Stock

Basic net loss per share of common stock is calculated by dividing the net loss attributable to common stockholders by the weighted-average number of shares of common stock outstanding during the period, without consideration for potentially dilutive securities. Diluted net loss per share is computed by dividing the net loss attributable to common stockholders by the weighted-average number of shares of common stock and potentially dilutive securities outstanding for the period. For purposes of the diluted net loss per share calculation, convertible preferred stock, common and preferred stock warrants, common stock options, unvested RSAs and RSUs are considered to be potentially dilutive securities. Because the Company has reported a net loss in all periods presented, diluted net loss per share of common stock is the same as basic net loss per share of common stock for those periods.

For the three months ended March 31, 2021 and 2020, there were 2,488,284 and 2,288,736 potentially dilutive weighted-average shares, respectively, that were not included in the computation of diluted weighted-average shares of common stock and common stock equivalent shares outstanding because their effect would have been antidilutive given the Company's net loss.

Recent Accounting Pronouncements

In December 2019, the FASB issued ASU 2019-12, "Income Taxes—Simplifying the Accounting for Income Taxes," which simplifies the accounting for income taxes by clarifying and amending existing guidance related to the recognition of franchise tax, the evaluation of a step-up in the tax basis of goodwill and the effects of enacted changes in tax laws or rates in the effective tax rate computation, among other clarifications. This guidance is effective for annual periods beginning after December 15, 2020, which was the Company's first quarter of fiscal year 2021, with early adoption permitted. The adoption of this guidance did not have an impact on the Company's consolidated financial statements or related disclosures.

Note 2. Property and Equipment

Property and equipment, net consists of the following (in thousands) at:

	March 31, 2021	December 31, 2020
Research and development equipment	$ 1,261	$ 1,205
Computer hardware and software	2,307	2,286
Tools and molds	1,439	1,404
Leasehold improvements	3,759	3,759
Furniture and fixtures	1,432	1,360
Construction in progress	120	129
	10,318	10,143
Less: accumulated depreciation and amortization	(4,270)	(3,815)
	$ 6,048	$ 6,328

Depreciation and amortization expense of property and equipment was $0.5 million and $0.4 million for the three months ended March 31, 2021 and 2020, respectively.

Note 3. Commitments and Contingencies

Operating Leases

In August 2014, the Company entered into a five-year operating lease for approximately 12,215 square feet of office space beginning on November 1, 2014, and expiring on October 31, 2019. In June 2019, the lease was amended to extend the expiration date to October 31, 2020 and in September 2020, the lease was amended to extend the expiration date to July 31, 2022. Upon the execution of the amendments, which were deemed to be a lease modification, the Company reassessed the lease liability using the discount rate at the modification date and recorded ROU assets for the same amount. The Company also reassessed the lease classification and concluded that the lease continues to be an operating lease. Under the terms of the lease, the Company is responsible for taxes, insurance, and maintenance expense. The lease contains certain scheduled rent increases. Rent expense is recognized on a straight-line basis over the expected lease term.

In November 2017, the Company entered into a seven-year operating lease for approximately 25,548 square feet of office space beginning on August 1, 2018, and expiring on August 31, 2025. In June 2019, the lease was amended to extend the expiration date to October 31, 2027. Upon the execution of the amendments, which were deemed to be a lease modification, the Company reassessed the lease liability using the discount rate at the modification date and recorded ROU assets for the same amount. The Company also reassessed the lease classification and concluded that the lease continues to be an operating lease. Under the terms of the lease, the Company is responsible for taxes, insurance, and maintenance expense. The lease contains certain scheduled rent increases. Rent expense is recognized on a straight-line basis over the expected lease term. The Company has a renewal option to extend the term of the lease for a period of five years beyond the initial term. Under the terms of the lease, the base rent payable with respect to each renewal term will be equal to the prevailing market rental rent as of the commencement of the applicable renewal term. In the event of a default of certain of the Company’s obligations under the lease, the Company’s landlord would have the right to terminate the lease.

In June 2019, the Company entered into an eight-year operating lease for approximately 32,621 square feet of office space beginning on January 15, 2020 and expiring on January 31, 2028. The Company uses these premises as its new principal executive offices and for general office space. The Company intends to utilize its other currently-leased spaces through the lease expiration dates to conduct the training of its sales team and for manufacturing purposes. Under the terms of the lease, the Company is responsible for taxes, insurance, and maintenance expense. The lease contains certain scheduled rent increases. Rent expense is recognized on a straight-line basis over the expected lease term. The Company has a renewal option to extend the term of the lease for a period of five years beyond the initial term. Under the terms of the lease, the base rent payable with respect to each

renewal term will be equal to the prevailing market rental rent as of the commencement of the applicable renewal term. In the event of a default of certain of the Company's obligations under the lease, the Company's landlord would have the right to terminate the lease.

In August 2020, the Company entered into a 38-month operating lease (the New Lease) for approximately 5,693 square feet of warehouse space beginning on October 15, 2020 and expiring on December 31, 2023 (the Initial Term). The Company uses these premises for general warehouse space.

During the three months ended March 31, 2021 and 2020, ROU assets obtained in exchange for new operating lease liabilities were $0.1 million and $3.0 million, respectively. As of March 31, 2021 and December 31, 2020, the ROU asset has a balance of $6.9 million and $7.1 million, respectively. The operating lease ROU asset is included within the Company's other non-current assets, and lease liabilities are included in current or noncurrent liabilities on the Company's condensed consolidated balance sheets. During the three months ended March 31, 2021 and 2020, cash paid for amounts included in operating lease liabilities were $0.5 million and $0.3 million, respectively. Amortization of the ROU asset was $0.3 million and $0.2 million for the three months ended March 31, 2021 and 2020, respectively.

As of March 31, 2021 and December 31, 2020, the weighted-average remaining lease term for the Company's operating leases were 6.4 years and 6.6 years, respectively. The weighted-average discount rate used to determine the present value of the Company's operating leases' future payments was 6.7% as of March 31, 2021 and December 31, 2020.

Total lease cost for the three months ended March 31, 2021 and 2020 are as follows (in thousands):

	Three Months Ended March 31,	
	2021	**2020**
Lease cost		
Operating lease cost	$ 525	$ 491
Short-term lease cost	23	39
Variable lease cost	47	23
Total lease cost	$ 595	$ 553

License Agreement

In October 2013, the Company entered into the License Agreement, pursuant to which AMF licensed the Company certain patents and know-how (collectively, the AMF IP) relating to, in relevant part, an implantable pulse generator and related system components in development by AMF as of that date, in addition to any peripheral or auxiliary devices, including all components, that when assembled, comprise such device, excluding certain implantable pulse generators (collectively, the AMF Licensed Products). Under the License Agreement, for each calendar year beginning in 2018, the Company is obligated to pay AMF a royalty on an AMF Licensed Product-by-AMF Licensed Product basis if one of the following conditions applies: (i) one or more valid claims within any of the patents licensed to the Company by AMF covers such AMF Licensed Products or the manufacture of such AMF Licensed Products or (ii) for a period of 12 years from the first commercial sale anywhere in the world of such AMF Licensed Product, in each case. The foregoing royalty is calculated as the greater of (a) 4% of all net revenue derived from the AMF Licensed Products, and (b) the Minimum Royalty, payable quarterly. The Minimum Royalty will automatically increase each year after 2018, subject to a maximum amount of $200,000 per year. The Company generated net SNM revenue of $32.9 million and $26.3 million during the three months ended March 31, 2021 and 2020, respectively, and recorded related royalties of $1.3 million and $1.0 million during the three months ended March 31, 2021 and 2020, respectively. Royalty expense is included in operating expenses in the condensed consolidated statements of comprehensive loss. Accrued royalty of $1.3 million and $1.4 million as of March 31, 2021 and December 31, 2020, respectively, is included within accrued liabilities on the Company's condensed consolidated balance sheets.

Legal Matters

On November 4, 2019, Medtronic, Inc., Medtronic Puerto Rico Operations Co., Medtronic Logistics LLC and Medtronic USA, Inc. (collectively, the Medtronic Affiliates) filed an initial complaint against the Company in the United States District Court for the Central District of California, Case No. 8:19-cv-2115, and amended the complaint on November 26, 2019. The Company refers to this matter as the Medtronic Litigation. The complaint asserts that the Company's r-SNM System infringes U.S. Patent Nos. 8,036,756, 8,626,314, 9,463,324 and 9,821,112 held by the Medtronic Affiliates, and the amended complaint further includes the additional patents 8,738,148; 8,457,758; and 7,774,069 (collectively, the Medtronic Patents). The Medtronic Litigation requests customary remedies for patent infringement, including (i) a judgment that the Company has infringed and is infringing the Medtronic Patents, (ii) damages, including treble damages for willful infringement, (iii) a permanent injunction preventing the Company from infringing the Medtronic Patents, (iv) attorneys' fees, and (v) costs and expenses. The Company believes the allegations are without merit and is vigorously defending itself against them. Given the early stage of the Medtronic Litigation, the Company is unable to predict the likelihood of success of the claims of the Medtronic Affiliates against the Company or to quantify any risk of loss. The Medtronic Litigation could last for an extended period of time and require the Company to dedicate significant financial resources and management resources to its defense. An adverse ruling against the Company could materially and adversely affect its business, financial position, results of operations or cash flows and could also result in reputational harm. Even if the Company is successful in defending against these claims, the Medtronic Litigation could result in significant costs, delays in future product developments, reputational harm or other collateral consequences.

On March 16, 2020, the Company filed seven petitions before the United States Patent and Trademark Office (USPTO) requesting inter partes review (IPR) to contest the validity of each of the Medtronic patents that Medtronic has alleged are being infringed by the Company. In September 2020, the USPTO decided that it will accept or "institute" the IPR process for six of the seven patents, finding that the Company had demonstrated a reasonable likelihood that at least one, if not all, of the claims of these six patents are invalid. The Company is currently in the IPR discovery process. The USPTO will usually render a decision on the validity of contested patents within twelve months of instituting the review. The Company filed a motion to stay the proceedings before the United States District Court for the Central District of California pending resolution of the IPR process. The Company's motion was granted by the court on May 8, 2020.

In addition to the Medtronic Litigation, the Company is and may continue to be involved in claims, legal proceedings, and investigations arising out of its operations in the normal course of business.

Note 4. Long-Term Debt

In January 2021, the principal amount, accrued interest, accrued loan fees, and prepayment fees related to the term loan under the Loan and Security Agreement with Silicon Valley Bank entered into in February 2018, were paid in full. The unamortized debt issuance costs of $0.4 million as of December 31, 2020 was expensed and recognized as interest expense during the three months ending March 31, 2021.

On February 25, 2021, the Company entered into the Loan and Security Agreement with Silicon Valley Bank, as the administrative agent and collateral agent for the lenders, under which the Company obtained a loan in the principal amount of $75 million pursuant to the Loan, which remains outstanding as of March 31, 2021. The Loan under the Loan and Security Agreement matures on February 1, 2024 (the Maturity Date), unless earlier accelerated upon an event of default. The Loan bears interest at a floating per annum rate equal to the greater of (a) 9.00% and (b) 5.75% above the current prime rate, with only interest due and payable monthly until September 1, 2022, at which time interest and principal will be due and payable monthly in equal monthly payments. The Loan and Security Agreement also sets out that the Loan is subject to a final payment fee equal to 6.00% of the aggregate principal amount of the Loan.

The Company may prepay amounts outstanding under the Loan and Security Agreement at any time with 5 days prior written notice to Silicon Valley Bank. In the event that the Company elects to prepay the Loan prior to the Maturity Date, the Company is required to pay a fee in the amount of (a) 2.00% of the outstanding principal balance if such prepayment occurs prior to February 25, 2022 or (b) 1.00% of the outstanding principal balance if such prepayment occurs on or after February 25, 2022. The Company incurred $4.6 million in debt issuance costs, which are amortized on an effective interest method through the Maturity Date.

The Loan and Security Agreement contains customary covenants that include, among others, covenants that limit our and our subsidiaries' ability to dispose of assets, conduct mergers or acquisitions, incur indebtedness, incur certain liens, pay dividends or make distributions on our capital stock, make certain investments, and enter into certain affiliate transactions, in each case subject to customary exceptions for a credit facility of this size and type.

The Loan and Security Agreement contains customary events of default that include, among others, non-payment defaults, covenant defaults, a default in the event a material adverse change occurs, defaults in the event our assets are attached or we are enjoined from doing business, bankruptcy and insolvency defaults, cross-defaults to certain other material indebtedness, material judgment defaults, and inaccuracy of representations and warranties. The occurrence of an event of default could result in an increase to the applicable interest rate of 5.00%, acceleration of and present occurrence of the Maturity Date, and the consequent obligation for us to repay in full in cash all amounts outstanding under the Loan and Security Agreement, and a right by the lenders to exercise all remedies available under the Loan and Security Agreement and related agreements, including the right to dispose of the collateral as permitted under applicable law.

All obligations under the Term Loan are secured by a first priority lien on substantially all of the Company's assets, excluding intellectual property assets and more than 65% of the shares of voting capital stock of any of its foreign subsidiaries. The Company has agreed with Silicon Valley Bank not to encumber its intellectual property assets without Silicon Valley Bank's prior written consent unless a security interest in the underlying intellectual property is necessary to have a security interest in the accounts and proceeds that are part of the assets securing the Term Loan, in which case the Company's intellectual property shall automatically be included within the assets securing the Term Loan. As of March 31, 2021, the Company was in compliance with all debt covenant requirements under the Term Loan.

Debt, net of unamortized debt issuance costs, consists of the following (in thousands) at:

	March 31, 2021	December 31, 2020
Debt, principal	$ 75,117	$ 20,000
Accrued loan fees	4,500	1,500
Debt, total	79,617	21,500
Less: unamortized debt issuance costs	(4,424)	(390)
Debt, net of unamortized debt issuance costs	75,193	21,110
Less: debt, net of unamortized debt issuance costs, current portion	(22)	(21,110)
Debt, net of unamortized debt issuance costs, net of current portion	$ 75,171	$ —

Note 5. Stock-based Compensation

Stock-based compensation expense included in the Company's unaudited condensed consolidated statements of comprehensive loss is allocated as follows (in thousands):

	Three Months Ended March 31,	
	2021	2020
Research and development	$ 1,329	$ 786
General and administrative	1,685	1,741
Sales and marketing	2,289	1,395
	$ 5,303	$ 3,922

Stock Option Activity

The option awards issued under the 2014 Stock Option Plan (the 2014 Plan) and the 2018 Omnibus Incentive Plan (the 2018 Plan) were measured based on fair value. The Company's fair value calculations were made using the Black-Scholes option pricing model with the following assumptions:

	Three Months Ended March 31,	
	2021	**2020**
Expected term (in years)	5.46 - 6.00	6.05
Stock volatility	63.49%	72.01%
Risk-free interest rate	0.53% - 1.16%	1.37%
Dividend rate	—	—

The Company used the simplified method of determining the expected term of stock options as the Company believes this represents the best estimate of the expected term of a new option. The expected stock price volatility assumption was determined by examining the historical volatilities for industry peers, as the Company did not have sufficient trading history for the Company's common stock. The Company will continue to analyze the historical stock price volatility and expected term assumption as more historical data for the Company's common stock becomes available. The risk-free interest rate assumption is based on the U.S. Treasury instruments, whose term was consistent with the expected term of the Company's stock options. The expected dividend assumption is based on the Company's history and expectation of dividend payouts. The assumptions regarding the expected term of the options and the expected volatility of the stock price are subjective, and these assumptions have a significant effect on the estimated fair value amounts. There were 36,000 stock option grants for the three months ended March 31, 2021. The weighted-average grant date fair value of options granted was $32.89 and $18.56 for the three months ended March 31, 2021 and 2020, respectively.

As of March 31, 2021 and December 31, 2020, there was $11.2 million and $11.6 million, respectively, of total unrecognized compensation cost related to unvested stock options that is expected to be recognized over a weighted-average period of approximately 2.3 years and 2.4 years, respectively.

The following table summarizes stock option activity for the three months ended March 31, 2021 under the 2014 and 2018 Plans (in thousands, except share and per share data):

	Number of Options	**Weighted-Average Exercise Price Per Share**	**Aggregate Intrinsic Value**	
Outstanding at December 31, 2020	1,955,243	$ 16.01		
Options granted	36,000	57.62		
Options exercised	(206,507)	12.83	$ 8,976	(1)
Options forfeited	(11,501)	22.75		
Outstanding at March 31, 2021	1,773,235	$ 17.18	$ 75,733	(2)

(1) Represents the total difference between the Company's closing stock price at the time of exercise and the stock option exercise price, multiplied by the number of options exercised.

(2) Represents the total difference between the Company's closing stock price on the last trading day of the first quarter of 2021 and the stock option exercise price, multiplied by the number of in-the-money options as of March 31, 2021. The amount of intrinsic value will change based on the fair market value of the Company's stock.

The weighted-average remaining contractual term of options outstanding and exercisable is 7.6 years and 7.7 years at March 31, 2021 and December 31, 2020, respectively.

Restricted Shares Awards Activity

As of March 31, 2021 and December 31, 2020, there was $39.6 million and $22.6 million, respectively, of total unrecognized compensation cost related to unvested restricted shares awards that is expected to be recognized over a weighted-average period of approximately 3.5 years and 3.3 years, respectively.

The following table summarizes restricted shares awards activity for the three months ended March 31, 2021:

	Number of Restricted Shares Awards	Weighted-Average Fair Value Per Share at Grant Date
Outstanding at December 31, 2020	817,183	$ 31.70
Restricted shares awards granted	378,050	52.89
Restricted shares awards vested	(100,246)	21.26
Restricted shares awards forfeited	(19,750)	29.87
Outstanding at March 31, 2021	1,075,237	$ 40.16

Restricted Stock Units Activity

As of March 31, 2021 and December 31, 2020, there was $8.3 million and $1.2 million, respectively, of total unrecognized compensation cost related to unvested restricted stock units that is expected to be recognized over a weighted-average period of approximately 1.2 years and 0.9 years, respectively.

The following table summarizes restricted stock units activity for the three months ended March 31, 2021:

	Number of Restricted Stock Units	Weighted-Average Fair Value Per Share at Grant Date
Outstanding at December 31, 2020	207,101	$ 23.49
Restricted stock units granted	212,417	43.62
Restricted stock units vested	(169,054)	19.89
Outstanding at March 31, 2021	250,464	$ 42.99

Note 6. Income Taxes

The following table presents details of the (benefit of) provision for income taxes and effective tax rates (in thousands, except percentages):

	Three Months Ended March 31,	
	2021	2020
(Benefit of) provision for income taxes	$(555)	$1
Effective tax rate	2.41%	—%

The Company accounts for income taxes according to ASC 740, which, among other things, requires the estimation of the annual effective income tax rate for the full year applied to pre-tax income (loss) for each interim period, considering year-to-date amounts and projected results for the full year. The Company periodically evaluates whether a portion or all of its deferred tax assets will be recovered. The Company records a valuation allowance against deferred tax assets if and to the extent it is more likely than not that they will not be recovered. In evaluating the need for a valuation allowance, the Company weighs all relevant positive and negative evidence, including among other factors, historical financial performance, forecasts of income over the applicable carryforward periods, and the market environment, with each piece weighted based on its reliability. As of March 31, 2021, the Company continues to maintain a full valuation allowance against its U.S. net deferred tax assets.

The effective tax rate differs from the statutory U.S. income tax rate due to differing tax rates imposed on income earned in foreign jurisdictions, losses in foreign jurisdictions, and certain nondeductible expenses. The effective tax rate could change significantly from quarter to quarter because of recurring and nonrecurring factors. The benefit of income taxes for the three months ended March 31, 2021 was primarily attributable to tax benefits related to losses in the U.K.

At December 31, 2020, the Company had federal and California net operating loss (NOL) carryforwards of approximately $213.5 million. Pursuant to Sections 382 and 383 of the Internal Revenue Code of 1986, as amended (the Internal Revenue Code), use of the Company's NOL carryforwards may be limited if the Company experiences a cumulative change in ownership of greater than 50% in a rolling three-year period. The Company performed an analysis of changes in ownership for purposes of these Internal Revenue Code sections. Based on the study performed in 2020, the Company determined that an ownership change occurred in 2014, 2018 and 2019. Future ownership changes could impact the Company's ability to utilize NOL carryforwards. The Company has recorded a full valuation allowance against its otherwise recognizable deferred income tax assets as of December 31, 2020. The Company has determined, after evaluating all positive and negative historical and prospective evidence, that it is more likely than not that the deferred income tax assets will not be realized. Ownership changes could impact the Company's ability to utilize NOL carryforwards remaining at an ownership change date. The Company's NOL carryforwards were generated from domestic operations. The federal NOLs from the 2013-2017 tax years will expire between 2033 and 2037 and NOLs from 2018-2020 will carryover indefinitely. The state NOLs will expire between 2033 and 2039. Under California Assembly Bill 85, effective June 29, 2020, net operating loss deductions were suspended for tax years beginning in 2020, 2021, and 2022 and the carry forward periods of any net operating losses not utilized due to such suspension were extended.

CARES Act

The CARES Act includes provisions to support businesses in the form of loans, grants, and tax changes, among other types of relief. The Company has reviewed the income tax changes included in the CARES Act, which primarily includes the expansion of the carryback period for NOLs, changes to the deduction and limitation on interest, and acceleration of depreciation for Qualified Improvement Property. The Company has analyzed these changes and does not believe there will be a material effect on the Company's income tax provision.

Note 7. Employee Benefit Plan

The Company sponsors a defined contribution retirement savings plan under Section 401(k) of the Internal Revenue Code. This plan covers all employees who meet minimum age and service requirements, and allows participants to defer a portion of their annual compensation on a pre- or post-tax basis. Contributions to the plan by the Company may be made at the discretion of the board of directors. During the three months ended March 31, 2021 and 2020, the Company contributions to the plan amounted to $0.4 million and $0.4 million, respectively.

Note 8. Related Party Transactions

The Company has a License Agreement and corresponding royalties incurred with AMF, which is also a stockholder of the Company. For additional information, see Note 3.

Note 9. Acquisition

On February 25, 2021, the Company acquired all issued and outstanding shares of Contura Holdings Limited (Contura) through a Share Purchase Agreement. As a result of the acquisition, the Company acquired a 100% equity interest in Contura in addition to all assets and liabilities outstanding as of the transaction date. Contura

is a manufacturing company which produces basic pharmaceutical products. Assets acquired include Contura's primary product, Bulkamid, which is a leading women's health product used in the treatment of stress urinary incontinence. The acquisition provides highly synergistic benefits, leverages the Company's expansive commercial footprint and gives the Company the opportunity to expand current offerings around the world. The acquisition will allow the Company to provide enhanced value to new and existing customers.

The Company accounted for the acquisition as a business combination pursuant to ASC 805. In accordance with ASC 805, fair values are assigned to tangible and identifiable intangible assets acquired and liabilities assumed at the acquisition date based on the information that was available as of the acquisition date. The Company believes that the information available provides a reasonable basis for estimating the fair values of assets acquired and liabilities assumed for the acquisition, however, preliminary measurements of fair value, including, but not limited to, contingent consideration, intangible assets and deferred taxes, are subject to change during the measurement period, and such changes could be material. The Company expects to finalize the valuation and accounting for the acquisition as soon as practicable, but no later than one year after the acquisition date.

The purchase price consideration for the acquisition totaled $203.8 million, of which $141.3 million was in the form of cash and $55.7 million was in the form of 1,096,583 shares of the Company's common stock. An additional payment of $35 million will be paid to the Sellers if the Company is able to generate $50 million in Bulkamid sales within a 12-month period before December 31, 2024. As the additional payment is contingent on future sales, the liability's preliminary estimate of fair value was assessed to be $6.8 million. The balance is recorded as a contingent liability in the consolidated balance sheets as of March 31, 2021. The cash consideration paid for the acquisition was funded by existing cash on hand.

The following table presents the purchase price allocation of Contura assets acquired and liabilities assumed, based on their relative fair values, which have been preliminarily assessed as of the February 25, 2021 acquisition date (in thousands):

	Preliminary Purchase Price Allocation
Assets Acquired	
Cash and cash equivalents	$ 593
Accounts receivable	1,688
Inventory	988
Prepaid expenses and other current assets	115
Property and equipment	52
Other assets	108
Intangible assets	112,200
Total assets acquired	115,744
Liabilities Assumed	
Accounts payable	209
Accrued liabilities	820
Accrued compensation and benefits	315
Lease liability	86
Debt	122
Total liabilities assumed	1,552
Net assets acquired	114,192
Purchase price consideration	203,812
Goodwill	$ 89,620

Intangible assets

Identified intangible assets consist of technology, trade names and trademarks, and customer relationships. The fair value of each is being determined by a valuation specialist and the useful life determination was made by management. Both determinations were made in accordance with ASC 805 and are outlined in the table below:

	Fair Value (in thousands)	Useful Life
Technology	$ 81,100	12 years
Trade names and trademarks	$ 19,700	Indefinite
Customer relationships	$ 11,400	12 years

Intangible assets were valued using models and approaches best suited for the asset type.

Technology was valued using the Multi-Period Excess Earnings Method (MPEEM), which calculates economic benefits by determining the income attributable to an intangible asset after returns are subtracted for contributory assets. Significant assumptions in the MPEEM include projected revenue growth rates, future margins, royalty rate indication, and tax rate.

Trade names and trademarks were valued using the Relief from Royalty Method. The relief from royalty method is a variant of the discounted cash flow method, which is a form of the income approach. It is based on the premise that ownership of the intangible asset relieves the need to pay a licensing fee for the ability to use the asset.

Significant assumptions include a discount rate, tax rate, royalty rate indication, long-term growth rate, and implied profit split time period.

Customer relationships were valued using the distributor method. The distributor method was utilized as the asset was determined to be a secondary intangible asset and the Company's product could be sold through distributors. Significant assumptions used in the distributor method include projected revenue growth rates, future margins, rate of customer retention, and an appropriate discount rate.

Intangible assets will be amortized based on their useful life. $0.6 million in amortization expense was recognized during the current quarter in the consolidated statement of comprehensive loss. The unamortized balance as of March 31, 2021 was $111.6 million. The total weighted-average original amortization period for the acquired finite-lived intangible assets is 12 years.

Goodwill

Goodwill is calculated as the excess of the consideration transferred over the fair value of the identifiable net assets acquired in a business combination and represents the future economic benefits expected to arise from anticipated synergies and intangible assets acquired that do not qualify for separate recognition, including an assembled workforce, noncontractual relationships, and other agreements. As an indefinite-lived asset, goodwill is not amortized but rather is subject to impairment testing on at least an annual basis. The Contura acquisition resulted in the preliminary recognition of $89.6 million of goodwill, which is not expected to be deductible for tax purposes.

Contingent consideration

As part of the transaction, the Company agreed to pay the Sellers $35 million if Bulkamid sales achieve $50 million in any 12-month period before December 31, 2024. The preliminary fair value of the estimated contingent consideration was determined by using a binary option-based approach. Significant inputs used in the assessment include the Company's projected revenue rate, an appropriate discount rate, volatility, and risk-free rate. The estimated fair value of the contingent consideration was determined to be $6.8 million.

To the extent that the forecast milestone achievements probabilities have changed and in accordance with ASC 805, the Company does not need to re-assess the fair value measurements.

Transaction-related costs

Acquisition costs are not included as components of consideration transferred and instead are accounted for as expenses in the period in which the costs are incurred. The Company incurred $4.4 million of acquisition-related costs in the first quarter of fiscal year 2021. These costs are included in general and administrative expenses in the Company's condensed consolidated statements of comprehensive loss.

Pro forma

The following unaudited pro forma financial information presents the condensed consolidated results of operations of the Company with Contura for the three months ended March 31, 2021 and 2020, respectively, and the year ended December 31, 2020 as if the acquisition had occurred on January 1, 2020 instead of February 25, 2021. Contura's revenue and net loss for the quarter ended March 31, 2021 were $2.8 million and $0.8 million, respectively, of which $1.5 million in revenue and $0.2 million in net loss was recognized after the February 25, 2021 acquisition date. Revenue and net loss recognized after the acquisition date were recorded within the Company's condensed consolidated statements of comprehensive loss. The pro forma information does not necessarily reflect the results of operations that would have occurred had the entities been a single company during the respective periods.

	Three Months Ended March 31,		Year ended December 31,
	2021	2020	2020
Net revenue	$ 35,726	$ 29,204	$ 122,444
Net loss	$ (19,971)	$ (20,627)	$ (65,407)
Net loss per share, basic and diluted	$ (0.50)	$ (0.59)	$ (1.72)
Weighted-average shares used to compute basic and diluted net loss per share	40,284,098	34,736,097	38,077,918

The unaudited pro forma financial information above reflects the following pro forma adjustments:

- An adjustment to decrease net loss for the three months ended March 31, 2021 by $4.4 million to eliminate integration and acquisition related costs incurred by Axonics and Contura and a corresponding increase to net loss for the three months ended March 31, 2020 by $4.4 million to give effect to the integration and acquisition of Contura as if it had occurred on January 1, 2020.
- An adjustment to increase net loss for the three months ended March 31, 2021 by $1.3 million and a corresponding increase to net loss for the three months ended March 31, 2020 by $1.9 million to reflect amortization of the fair value adjustments for intangible assets as if the assets were acquired January 1, 2020.

Note 10. Goodwill and Intangible Assets

The change in the carrying amount of goodwill during the three months ended March 31, 2021 included the following (in thousands):

December 31, 2020	$ —
February 25, 2021 Acquisition	89,620
Foreign exchange translation adjustment	(2,238)
March 31, 2021	$ 87,382

Intangible assets as of March 31, 2021 included the following (in thousands):

		March 31, 2021			
	Weighted-Average Amortization Period	Gross Carrying Amount	Accumulated Amortization	Foreign exchange translation adjustment	Intangible Assets, Net
Patent license asset	8.71 years	$ 1,000	(833)	—	$ 167
Exclusive license asset	4 years	$ 3,300	—	—	$ 3,300
Technology	12 years	$ 81,100	(563)	—	$ 80,537
Trade names and trademarks	Indefinite	$ 19,700	—	—	$ 19,700
Customer relationships	12 years	$ 11,400	(79)	(2)	$ 11,319
		$ 116,500	$ (1,475)	$ (2)	$ 115,023

Intangible asset as of December 31, 2020 included the following (in thousands):

		December 31, 2020			
	Weighted-Average Amortization Period	Gross Carrying Amount	Accumulated Amortization	Foreign exchange translation adjustment	Intangible Asset, Net
Patent license asset	8.71 years	$ 1,000	(804)	—	$ 196

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis should be read in conjunction with our unaudited condensed consolidated financial statements and the related notes to those statements included elsewhere in this Quarterly Report on Form 10-Q, as well as the audited consolidated financial statements and the related notes thereto, and the discussion under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business" included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2020, as filed with the SEC on March 1, 2021.

Overview

We are a global medical technology company that develops and commercializes products to treat urinary and fecal dysfunction, including: (i) an implantable sacral neuromodulation (SNM) systems to treat urinary urge incontinence (UUI) and urinary urgency frequency (UUF), together referred to as overactive bladder (OAB), as well as fecal incontinence (FI), and non-obstructive urinary retention (UR); and (ii) a urethral bulking agent to treat female stress urinary incontinence (SUI).

OAB affects an estimated 87 million adults in the United States and Europe. Another estimated 40 million adults are reported to suffer from FI. SNM therapy is an effective and durable treatment that has been widely used and reimbursed in Europe and the United States for the past two decades. SNM is the only OAB treatment with

proven clinical superiority to standard medical therapy and OAB patients who receive SNM report significantly higher quality of life than patients undergoing drug treatment.

We estimate the global SNM market is now approximately $650 million to $700 million and believe it is a growing market that is currently about one to three percent penetrated. Until we entered the market, it was serviced by Medtronic as a single participant.

We believe our proprietary rechargeable SNM system (r-SNM System), the first rechargeable SNM system marketed worldwide, offers significant advantages, and is well positioned to capture market share and penetrate and grow this attractive market. Our r-SNM System is designed to last approximately 15 years in the human body, is only 5cc in volume, offers broad MRI access, ease of use, intuitive programmers, and the longest recharging interval among rechargeable SNM systems.

We have marketing approvals in Europe, Canada, and Australia for all relevant clinical indications and initiated limited commercial efforts in England, the Netherlands and Canada in late 2018. Revenue during the three months ended March 31, 2021 from international operations in Canada, Europe, the U.K., and Australia, was approximately $2.1 million.

Our initial premarket approval (PMA) application for our r-SNM System for the treatment of FI was approved by the U.S. Food and Drug Administration (FDA) on September 6, 2019, and our PMA application for our r-SNM System for the treatment of OAB and UR was approved by the FDA on November 13, 2019.

We are primarily focused on commercializing our products in the United States, which accounts for the vast majority of SNM sales worldwide. We have established a significant commercial infrastructure, with over 240 sales personnel and clinical specialists and we continue to make significant investments to build our commercial organization to market and support our products. When making hiring decisions for these roles, we prioritize individuals with strong sales backgrounds and experience in SNM therapy and other neurostimulation applications, and who also have existing relationships with urologists and urogynecologists.

Revenue during the three months ended March 31, 2021 from accounts located across the United States was approximately $32.3 million.

In February 2021, the FDA approved a third-generation INS for our r-SNM System under a PMA supplement. The third-generation INS upgrades the embedded software in the INS and the functionality of the patient remote control. These modifications give patients the ability to make broader stimulation parameter adjustments at home, including selecting a second therapy program that was set post-operatively based on interoperative findings.

Our ability to generate revenue and become profitable will depend on our ability to continue to successfully commercialize our r-SNM System and any product enhancements we may advance in the future. We expect to derive future revenue by increasing patient and physician awareness of our r-SNM System. If we are unable to accomplish any of these objectives, it could have a significant negative impact on our future revenue. If we fail to generate sufficient revenue in the future, our business, results of operations, financial condition, cash flows, and future prospects would be materially and adversely affected.

We also intend to continue to make investments in research and development efforts to develop improvements and enhancements to our r-SNM System.

In the United States, the cost required to treat each patient is reimbursed through various third-party payors, such as commercial payors and government agencies. Most large insurers have established coverage policies in place to cover SNM therapy. Certain commercial payors have a patient-by-patient prior authorization process that must be followed before they will provide reimbursement for SNM therapy. Outside the United States, reimbursement levels vary significantly by country and by region, particularly based on whether the country or region at issue maintains a single-payor system. SNM therapy is eligible for reimbursement in Canada, Australia, and certain countries in Europe, such as Germany, France, and the United Kingdom. Annual healthcare budgets generally determine the number of SNM systems that will be paid for by the payor in these single-payor system countries and regions.

We currently outsource the manufacture of the implantable components of our r-SNM System. We plan to continue with an outsourced manufacturing arrangement for the foreseeable future. Our contract manufacturers are all recognized in their field for their competency to manufacture the respective portions of our r-SNM System and have quality systems established that meet FDA requirements. We believe the manufacturers we currently utilize have sufficient capacity to meet our launch requirements and are able to scale up their capacity relatively quickly with limited capital investment.

Prior to obtaining FDA approval, we devoted substantially all of our resources to research and development activities related to our r-SNM System, including clinical and regulatory initiatives to obtain marketing approvals. We expect to spend a significant amount of our resources on sales and marketing activities as we commercialize and market our r-SNM System in the United States.

We incurred net losses of $22.5 million and $14.6 million for the three months ended March 31, 2021 and 2020, respectively, and had an accumulated deficit of $257.0 million as of March 31, 2021 compared to $234.5 million at December 31, 2020. As of March 31, 2021, we had available cash and cash equivalents of approximately $131.0 million, current liabilities of approximately $24.0 million, and long-term liabilities of approximately $90.8 million.

Prior to our initial public offering (IPO), we financed our operations primarily through preferred stock financings and amounts borrowed under a Loan and Security Agreement, dated February 6, 2018, between us and Silicon Valley Bank (the Loan Agreement). Through our IPO in November 2018, an offering completed in November 2019 and an offering completed in May 2020, we received aggregate gross proceeds of approximately $405.1 million. We have invested heavily in product development and continuous improvement to our r-SNM System. We have also made significant investments in clinical studies to demonstrate the safety and effectiveness of our r-SNM System and to support regulatory submissions. Because of these and other factors, we expect to continue to incur net losses for the next few years and we may require additional funding, which may include future equity and debt financings. Adequate funding may not be available to us on acceptable terms, or at all. Our failure to obtain sufficient funds on acceptable terms when needed could have a material and adverse effect on our business, financial condition, and results of operations.

May 2020 Follow-On Offering

On May 12, 2020, we completed a follow-on offering by issuing 4,600,000 shares of common stock, at an offering price of $32.50 per share, inclusive of 600,000 shares of our common stock issued upon the exercise by the underwriters of their option to purchase additional shares. The gross proceeds to us from this follow-on offering were $149.5 million and the net proceeds were approximately $140.5 million, after deducting underwriting discounts, commissions and offering expenses payable by us.

Impact of COVID-19

The COVID-19 pandemic negatively impacted our sales, primarily in the second quarter of 2020, by significantly decreasing and delaying the number of procedures performed using our r-SNM System, and we expect that the pandemic could negatively impact our business, financial condition and results of operations. Similar to the general trend in elective and other surgical procedures, the number of procedures performed using our r-SNM System decreased significantly as healthcare organizations in the United States and globally, including in Europe and Canada, have prioritized the treatment of patients with COVID-19 or have altered their operations to prepare for and respond to the pandemic. Specifically, substantially all of the procedures using our r-SNM System were postponed or cancelled from middle of March 2020 through May 2020, but order flow began a gradual recovery in May 2020 and continued to improve in the second half of 2020 through the first quarter of 2021.

To protect the health of our employees, their families, and our communities, we have restricted access to our offices to personnel who must perform critical activities that must be completed on-site, limited the number of such personnel that can be present at our facilities at any one time, requested that many of our employees work remotely, and implemented strict travel restrictions. These restrictions and precautionary measures have not adversely affected our operations. The full extent of COVID-19's effect on our operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, and additional protective measures implemented by the governmental authorities, all of which are uncertain and difficult to predict considering the rapidly evolving landscape. However, if the pandemic continues to evolve into a long-term

severe worldwide health crisis, there could be a material adverse effect on our business, results of operations, financial condition, and cash flows.

AMF License Agreement

On October 1, 2013, we entered into a license agreement (the License Agreement) with the Alfred E. Mann Foundation for Scientific Research (AMF), pursuant to which AMF licensed us certain patents and know-how (AMF IP), relating to, in relevant part, an implantable pulse generator and related system components in development by AMF as of that date, in addition to any peripheral or auxiliary devices, including all components, that when assembled, comprise such device, excluding certain implantable pulse generators (AMF Licensed Products).

Under the License Agreement, for each calendar year beginning in 2018, we are obligated to pay AMF a royalty on an AMF Licensed Product-by-AMF Licensed Product basis if one of the following conditions applies: (i) one or more valid claims within any of the patents licensed to us by AMF covers such AMF Licensed Products or the manufacture of such AMF Licensed Products or (ii) for a period of 12 years from the first commercial sale anywhere in the world of such AMF Licensed Product, in each case. The foregoing royalty is calculated as the greater of (a) 4% of all net revenue derived from the AMF Licensed Products, and (b) a minimum annual royalty (the Minimum Royalty), payable quarterly. The Minimum Royalty automatically increases each year, subject to a maximum amount of $200,000 per year. During the three months ended March 31, 2021 and 2020, we have recorded royalties of $1.3 million and $1.0 million, respectively. We have 60 days to pay AMF the royalty amount due under the License Agreement, and if we fail to pay AMF within such 60-day period, AMF may, at its election, convert the exclusive license to a non-exclusive license or terminate the License Agreement.

Components of Our Results of Operations

Net Revenue

Revenue during the three months ended March 31, 2021 and 2020 are as follows (in thousands):

	Three Months Ended March 31,	
	2021	**2020**
SNM net revenue		
United States	$ 31,745	$ 25,046
International markets	1,158	1,250
	$ 32,903	$ 26,296
Bulkamid net revenue		
United States	$ 578	$ —
International markets	892	—
	$ 1,470	$ —
Total net revenue	$ 34,373	$ 26,296

Cost of Goods Sold and Gross Margin

Cost of goods sold consists primarily of acquisition costs of the components of our r-SNM System, third-party contract labor costs, overhead costs, as well as distribution-related expenses such as logistics and shipping costs. The overhead costs include the cost of material procurement and operations supervision and management personnel. We expect overhead costs as a percentage of revenue to decrease as our sales volume increases. Cost of goods sold also include other expenses such as scrap and inventory obsolescence. We expect cost of goods sold to increase in absolute dollars primarily as, and to the extent, our revenue grows. We expect gross margin to vary based on regional differences in pricing and discounts negotiated by customers.

We calculate gross margin as gross profit divided by revenue. We expect future gross margin will be affected by a variety of factors, including manufacturing costs, the average selling price of our r-SNM System, the

implementation of cost-reduction strategies, inventory obsolescence costs, which may occur when new generations of our r-SNM System are introduced, and to a lesser extent, the sales mix between the United States, Canada, Europe and Australia as our average selling price in the United States is expected to be higher than in Canada, Europe and Australia and foreign currency exchange rates. Our gross margin may increase over the long term to the extent our production volumes increase and we receive discounts on the costs charged by our contract manufacturers, thereby reducing our per unit costs. Additionally, our gross margin may fluctuate from quarter to quarter due to seasonality.

Research and Development Expenses

Research and development expenses consist primarily of employee compensation, including stock-based compensation, product development, including testing and engineering, and clinical studies to develop and support our r-SNM System, including clinical study management and monitoring, payments to clinical investigators, and data management. Other research and development expenses include consulting and advisory fees, royalty expense, travel expenses, and equipment-related expenses and other miscellaneous office and facilities expenses related to research and development programs. Research and development costs are expensed as incurred. We expect to continue incurring research and development expenses in the future as we develop next generation versions of our r-SNM System and expand to new markets. We expect research and development expenses as a percentage of revenue to vary over time depending on the level and timing of initiating new product development efforts and new clinical development activities.

The following table summarizes our research and development expenses by functional area for the three months ended March 31, 2021 and 2020 (in thousands):

	Three Months Ended March 31,	
	2021	**2020**
Personnel related	$ 4,878	$ 2,486
Clinical development	104	88
Contract fabrication and manufacturing	1,474	865
Contract R&D and consulting	2,667	2,965
Other R&D expenses	246	451
Total R&D expenses	$ 9,369	$ 6,855

General and Administrative Expenses

General and administrative expenses consist primarily of employee compensation, including stock-based compensation, and spending related to finance, information technology, human resource functions, consulting, legal, and professional service fees. Other general and administrative expenses include director and officer insurance premiums, investor relations costs, office-related expenses, facilities and equipment rentals, bad debt expense, and travel expenses. We expect our general and administrative expenses will significantly increase in absolute dollars as we increase our headcount and expand administrative personnel to support our growth and operations as a public company including finance personnel and information technology services. Additionally, we anticipate increased legal expenses associated with our patent infringement litigation with Medtronic. These expenses will further increase as we no longer qualify as an “emerging growth company” under the Jumpstart Our Business Startups (JOBS) Act, which requires us to comply with certain additional reporting requirements effective December 31, 2020. We expect general and administrative expenses to decrease as a percentage of revenue primarily as, and to the extent, our revenue grows.

Sales and Marketing Expenses

Sales and marketing expenses consist primarily of employee compensation, including stock-based compensation, trade shows, booth exhibition costs, and the related travel for these events. Other sales and marketing expenses include consulting and advisory fees. We expect sales and marketing expenses to continue to increase in absolute dollars as we expand our commercial infrastructure to both drive and support our expected growth in

revenue. However, we expect sales and marketing expenses to decrease as a percentage of revenue in the long term primarily as, and to the extent, our revenue grows.

Amortization of Intangible Assets

Amortization of intangible assets consist primarily of amortization expense on patent license asset, manufacturing license asset, technology, and customer relationships. We amortize finite lived intangible assets over the period of estimated benefit using the straight-line method. Indefinite lived intangible assets are tested for impairment annually or whenever events or circumstances indicate that the carrying amount of the asset (asset group) may not be recoverable. If impairment is indicated, we measure the amount of the impairment loss as the amount by which the carrying amount exceeds the fair value of the asset. Fair value is generally determined using a discounted future cash flow analysis.

Acquisition-Related Costs

Acquisition-related costs consist of expenses incurred related to the Contura acquisition.

Other (Expense) Income, Net

Other (expense) income, net consists primarily of interest expense payable under the Loan Agreement with Silicon Valley Bank and other debt arrangements, net of interest income earned on cash equivalents.

Income Tax (Benefit) Expense

Income tax (benefit) expense consists of income tax benefit from deferred tax assets in our foreign operations, net of state income taxes in California. We maintain a full valuation allowance for deferred tax assets in our domestic operations, including net operating loss carryforwards and research and development credits and other tax credits.

Results of Operations

The following table shows our results of operations for the three months ended March 31, 2021 and 2020 (in thousands, except percentages):

	Three Months Ended March 31,		Period to Period Change
	2021	2020	
Sacral neuromodulation net revenue	$ 32,903	$ 26,296	$ 6,607
Bulkamid net revenue	1,470	—	1,470
Total net revenue	34,373	26,296	8,077
Cost of goods sold	13,974	9,895	4,079
Gross profit	20,399	16,401	3,998
Gross Margin	*59.3 %*	*62.4 %*	
Operating Expenses			
Research and development	9,369	6,855	2,514
General and administrative	6,626	7,653	(1,027)
Sales and marketing	20,928	16,569	4,359
Amortization of intangible assets	678	29	649
Acquisition-related costs	4,414	—	4,414
Total operating expenses	42,015	31,106	10,909
Loss from operations	(21,616)	(14,705)	(6,911)
Other Income (Expense)			
Interest income	8	642	(634)
Interest and other expense	(1,450)	(552)	(898)
Other (expense) income, net	(1,442)	90	(1,532)
Loss before income tax (benefit) expense	(23,058)	(14,615)	(8,443)
Income tax (benefit) expense	(555)	1	(556)
Net loss	(22,503)	(14,616)	(7,887)
Foreign currency translation adjustment	(2,202)	(177)	(2,025)
Comprehensive loss	$ (24,705)	$ (14,793)	$ (9,912)

Comparison of the Three Months Ended March 31, 2021 and 2020

Net Revenue

Net revenue was $34.4 million for the three months ended March 31, 2021 and was primarily derived from the sale of our r-SNM Systems to customers in the United States, Europe and Canada. Net revenue was $26.3 million for the three months ended March 31, 2020 and was derived from the sale of our r-SNM System to customers in the United States, Europe and Canada. The increase in net revenue is primarily due to increased sales of our r-SNM System as we expanded our customer base in the U.S. and international markets, as well as the addition of $1.5 million in Bulkamid sales.

Cost of Goods Sold and Gross Margin

We incurred $14.0 million of cost of goods sold for the three months ended March 31, 2021. We incurred $9.9 million of cost of goods sold for the three months ended March 31, 2020. Gross margin was 59.3% in the three months ended March 31, 2021, compared to 62.4% for the three months ended March 31, 2020. The decrease in gross margin is primarily due to lower absorption rates.

Research and Development Expenses

Research and development expenses increased $2.5 million, or 36.7%, to $9.4 million in the three months ended March 31, 2021, compared to $6.9 million in the three months ended March 31, 2020. The increase in research and development expenses was primarily attributable to an increase of $2.4 million in personnel costs including salaries and wages, stock-based compensation and other employee-related benefits.

General and Administrative Expenses

General and administrative expenses decreased $1.0 million, or 13.4%, to $6.6 million in the three months ended March 31, 2021, compared to $7.7 million in the three months ended March 31, 2020, primarily as a result of a decrease of $1.0 million in legal and consulting costs, as higher costs were incurred in the three months ended March 31, 2020 related to the Medtronic litigation.

Sales and Marketing Expenses

Sales and marketing expenses increased $4.4 million, or 26.3%, to $20.9 million in the three months ended March 31, 2021, compared to $16.6 million in the three months ended March 31, 2020. The increase in sales and marketing expenses was primarily due to an increase of $3.2 million related to personnel costs including salaries and wages, stock-based compensation and other employee-related benefits and an increase of $1.0 million related to advertising expenses.

Amortization of Intangible Assets

Amortization of intangible assets increased $0.6 million, or 2,260.1%, to $0.7 million in the three months ended March 31, 2021, compared to minimal amortization of intangible assets in the three months ended March 31, 2020. The increase in amortization of intangible assets was primarily due to an increase of technology and customer relationships acquired related to the Contura acquisition.

Acquisition-Related Costs

Acquisition-related costs was $4.4 million in the three months ended March 31, 2021 related to the Contura acquisition.

Other (Expense) Income, Net

Other expense, net was $1.4 million in the three months ended March 31, 2021 consisting primarily of interest expense incurred related to the Loan Agreement with Silicon Valley Bank. Other income, net was $0.1 million in the three months ended March 31, 2020 consisting primarily of interest income earned on cash equivalents and short-term investments, partially offset by interest expense incurred related to the Loan Agreement with Silicon Valley Bank.

Income Tax (Benefit) Expense

We recorded income tax benefit or the three months ended March 31, 2021 primarily related to deferred tax assets generated in our foreign operations related to the Contura acquisition. We recorded minimal income tax expense for the three months ended March 31, 2020.

Liquidity and Capital Resources

We only began full-scale commercialization of our r-SNM System in late 2019. We have expended significant resources on research and development activities, growing our operations organization and building and training our sales organization.

We incurred net losses of $22.5 million and $14.6 million for the three months ended March 31, 2021 and 2020, respectively, and had an accumulated deficit of $257.0 million as of March 31, 2021 compared to $234.5 million at December 31, 2020. We expect to continue to spend a significant amount of our existing resources on sales and marketing activities as we continue to commercialize and market our products in the United States and internationally.

As of March 31, 2021, we had cash and cash equivalents of $131.0 million compared to $241.2 million at December 31, 2020. We expect that our cash and cash equivalents on hand will be sufficient to fund our operations

through at least the next 12 months. We fund our operations through a combination of proceeds from public offerings of our common stock, cash receipts from sales of our r-SNM System and proceeds from our Loan Agreement with Silicon Valley Bank. As of March 31, 2021, we had $79.6 million in outstanding borrowings, as discussed below under "Indebtedness."

We may need to raise additional financing in the future to facilitate our business operations. If we raise additional funds by issuing equity securities, our stockholders could experience dilution. Debt financing, if available, may involve covenants further restricting our operations or our ability to incur additional debt. Any debt financing or additional equity that we raise may contain terms that are not favorable to us or our stockholders. Additional financing may not be available at all, or in amounts or on terms acceptable to us. If we are unable to obtain additional financing when needed to satisfy our liquidity requirements, we may be required to scale back our operations.

Cash Flows

The following table presents a summary of our cash flow for the periods indicated (in thousands):

	Three Months Ended March 31,	
	2021	**2020**
Net cash provided by (used in)		
Operating activities	$ (25,583)	$ (23,307)
Investing activities	(140,864)	11,878
Financing activities	56,215	344
Effect of exchange rate changes on cash and cash equivalents	13	(177)
Net decrease in cash and cash equivalents	$ (110,219)	$ (11,262)

Net cash used in operating activities

Net cash used in operating activities was $25.6 million for the three months ended March 31, 2021 and consisted primarily of a net loss of $22.5 million and a decrease from changes in net operating assets of $9.4 million, partially offset by non-cash charges of $6.4 million. Net operating assets consisted primarily of inventory due to the commercial growth of our r-SNM System in the United States. Non-cash charges consisted primarily of stock-based compensation.

Net cash used in operating activities was $23.3 million for the three months ended March 31, 2020 and consisted primarily of a net loss of $14.6 million and a decrease from changes in net operating assets of $13.7 million, partially offset by non-cash charges of $5.0 million. Net operating assets consisted primarily of accounts receivable and inventory due to the commercial launch of our r-SNM System in the United States. Non-cash charges consisted primarily of stock-based compensation.

Net cash (used in) provided by investing activities

Net cash used in investing activities was $140.9 million for the three months ended March 31, 2021 and consisted primarily of the $140.7 million paid for the acquisition of Contura.

Net cash provided by investing activities was $11.9 million for the three months ended March 31, 2020 and consisted primarily of sales and maturities of short-term investments, partially offset by purchases of property and equipment.

Net cash provided by financing activities

Net cash provided by financing activities was $56.2 million for the three months ended March 31, 2021 and consisted primarily of $75 million in net proceeds received in the Loan Agreement with Silicon Valley Bank in connection with the Contura acquisition, partially offset by the pay down of $21.5 million of the prior Loan Agreement with Silicon Valley bank.

Net cash provided by financing activities was $0.3 million for the three months ended March 31, 2020 and consisted of proceeds from exercise of stock options.

Indebtedness

On February 25, 2021, the Company entered into the Loan and Security Agreement with Silicon Valley Bank, as the administrative agent and collateral agent for the lenders, under which the Company obtained a loan in the principal amount of $75 million pursuant to the Loan, which is currently outstanding. The Loan under the Loan and Security Agreement matures on February 1, 2024, unless earlier accelerated upon an event of default. The Loan bears interest at a floating per annum rate equal to the greater of (a) 9.00% and (b) 5.75% above the current prime rate, with only interest due and payable monthly until September 1, 2022, at which time interest and principal will be due and payable monthly in equal monthly payments. The Loan and Security Agreement also sets out that the Loan is subject to a final payment fee equal to 6.00% of the aggregate principal amount of the Loan.

We may prepay amounts outstanding under the Loan and Security Agreement at any time with 5 days prior written notice to Silicon Valley Bank. In the event that we elect to prepay the Loan prior to the Maturity Date, we are required to pay a fee in the amount of (a) 2.00% of the outstanding principal balance if such prepayment occurs prior to February 25, 2022 or (b) 1.00% of the outstanding principal balance if such prepayment occurs on or after February 25, 2022.

The Loan and Security Agreement contains customary events of default that include, among others, non-payment defaults, covenant defaults, a default in the event a material adverse change occurs, defaults in the event our assets are attached or we are enjoined from doing business, bankruptcy and insolvency defaults, cross-defaults to certain other material indebtedness, material judgment defaults, and inaccuracy of representations and warranties. The occurrence of an event of default could result in an increase to the applicable interest rate of 5.00%, acceleration of and present occurrence of the Maturity Date, and the consequent obligation for us to repay in full in cash all amounts outstanding under the Loan and Security Agreement, and a right by the lenders to exercise all remedies available under the Loan and Security Agreement and related agreements, including the right to dispose of the collateral as permitted under applicable law.

All obligations under the Term Loan are secured by a first priority lien on substantially all of the Company’s assets, excluding intellectual property assets and more than 65% of the shares of voting capital stock of any of its foreign subsidiaries. The Company has agreed with Silicon Valley Bank not to encumber its intellectual property assets without Silicon Valley Bank’s prior written consent unless a security interest in the underlying intellectual property is necessary to have a security interest in the accounts and proceeds that are part of the assets securing the Term Loan, in which case the Company’s intellectual property shall automatically be included within the assets securing the Term Loan.

The Loan Agreement contains certain covenants that limit our ability to engage in certain transactions that may be in our long-term best interest. Subject to certain limited exceptions, these covenants limit our ability to or prohibit us to permit any of our subsidiaries to, as applicable, among other things:

- pay cash dividends on, make any other distributions in respect of, or redeem, retire or repurchase, any shares of our capital stock;
- convey, sell, lease, transfer, assign, or otherwise dispose of all or any part of our business or property;
- effect certain changes in our business, management, ownership or business locations;
- merge or consolidate with, or acquire all or substantially all of the capital stock or property of any other company;
- create, incur, assume, or be liable for any additional indebtedness, or create, incur, allow, or permit to exist any additional liens;
- make certain investments; and
- enter into transactions with our affiliates.

As of March 31, 2021, we were in compliance with all debt covenant requirements under the Term Loan. While we have not previously breached and are currently in compliance with the covenants contained in the Loan Agreement, we may breach these covenants in the future. Our ability to comply with these covenants may be

affected by events and factors beyond our control. In the event that we breach one or more covenants, Silicon Valley Bank may choose to declare an event of default and require that we immediately repay all amounts outstanding under the Loan Agreement, terminate any commitment to extend further credit and foreclose on the collateral. The occurrence of any of these events could have a material adverse effect on our business, financial condition and results of operations.

We have no further indebtedness arrangements.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, as defined by applicable regulations of the SEC, that are reasonably likely to have a current or future material effect on our financial condition, results of operations, liquidity, capital expenditures or capital resources.

Contractual Obligations

Refer to the Liquidity and Capital Resources—Indebtedness section above for changes in debt obligations during the first quarter of fiscal year 2021; there were no other material changes to our long-term contractual obligations as reported in our most recent Annual Report on Form 10-K for the fiscal year ended December 31, 2020, as filed with the SEC on March 1, 2021

Critical Accounting Policies and Estimates

Our critical accounting policies and estimates are described in "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2020, as filed with the SEC on March 1, 2021. We have reviewed and determined that those critical accounting policies and estimates remain our critical accounting policies and estimates as of and for the three months ended March 31, 2021.

Recent Accounting Pronouncements

We have reviewed all recently issued standards and have determined that, other than as disclosed in Note 1 to our unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q, such standards will not have a significant impact on our condensed consolidated financial statements or do not otherwise apply to our operations.

Item 3. Quantitative and Qualitative Disclosure About Market Risk.

We are exposed to market risks in the ordinary course of our business. These risks primarily include interest rate risk, foreign currency exchange rate risk and inflation risk as follows:

Interest Rate Risk

We had cash and cash equivalents of $131.0 million as of March 31, 2021, which came from public offerings of our common stock and debt financing arrangements. The goals of our investment policy are liquidity and capital preservation and we do not enter into investments for trading or speculative purposes. We believe that we do not have any material exposure to changes in the fair value of these assets as a result of changes in interest rates due to the short term nature of our cash, cash equivalents and short-term investments. Additionally, the interest rate for borrowings under the Loan and Security Agreement is variable. A hypothetical 10% relative change in interest rates during any of the periods presented would not have had a material impact on our consolidated financial statements. We do not currently engage in hedging transactions to manage our exposure to interest rate risk.

Foreign Currency Exchange Rate Risk

As we expand internationally our results of operations and cash flows may become increasingly subject to fluctuations due to changes in foreign currency exchange rates. All of our revenue is denominated in U.S. dollars. Our expenses are generally denominated in the currencies in which our operations are located, which is primarily in the United States. The effect of a 10% adverse change in exchange rates on foreign denominated cash, receivables and payables would not have been material for the periods presented. As our operations in countries outside of the United States grow, our results of operations and cash flows may be subject to fluctuations due to changes in foreign

currency exchange rates, which could harm our business in the future. To date, we have not entered into any material foreign currency hedging contracts although we may do so in the future.

Inflation Risk

Inflationary factors, such as increases in our cost of goods sold and selling and operating expenses, may adversely affect our operating results. Although we do not believe that inflation has had a material impact on our financial position or results of operations to date, a high rate of inflation in the future may have an adverse effect on our ability to maintain and increase our gross margin and sales and marketing and operating expenses as a percentage of our revenue if the selling prices of our products do not increase as much as or more than these increased costs.

Item 4. Controls and Procedures.

Limitations on effectiveness of controls and procedures

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Evaluation of disclosure controls and procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated, as of the end of the period covered by this Quarterly Report on Form 10-Q, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act). Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of March 31, 2021.

Changes in internal control over financial reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the three months ended March 31, 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

There have been no material developments in the litigation matters disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2020, as filed with the SEC on March 1, 2021, during the quarter ended March 31, 2021.

Item 1A. Risk Factors.

You should carefully consider the information described in the "Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2020, as filed with the SEC on March 1, 2021. There have been no material changes from the risk factors disclosed in our recent SEC filings, including our most recently filed Form 10-K, as referenced above.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

EXHIBIT INDEX

Exhibit Number	Exhibit Title
10.1+	Agreement, dated February 25, 2021, by and among Axonics, Inc. (formerly, Axonics Modulation Technologies, Inc.), Axonics Modulation Technologies, U.K. Limited and Contura Holdings.
10.2+	Exclusive Manufacturing and Supply Agreement, dated February 25, 2021, by and between Contura International A/S and Contura Limited.
10.3	Loan and Security Agreement, dated as of February 25, 2021, by and among Silicon Valley Bank ("SVB"), in its capacity as administrative agent and collateral agent, SVB, as a lender, SVB Innovation Credit Fund VIII, L.P. and Axonics, Inc. (formerly, Axonics Modulation Technologies, Inc.)
31.1	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.
31.2	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.
32.1#	Certifications of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2#	Certifications of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS**	Inline XBRL Instance Document.
101.SCH**	Inline XBRL Taxonomy Extension Schema Document.
101.CAL**	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF**	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB**	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE**	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Date File (formatted as Inline XBRL and contained in Exhibit 101).

The information in Exhibits 32.1 and 32.2 shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act (including this Quarterly Report on Form 10-Q), unless the Company specifically incorporates the foregoing information into those documents by reference.

** In accordance with Rule 402 of Regulation S-T, this interactive data file is deemed not filed or part of this Quarterly Report on Form 10-Q for purposes of Sections 11 or 12 of the Securities Act or Section 18 of the Exchange Act and otherwise is not subject to liability under these sections.

+ Portions of this exhibit have been omitted as the Company has determined that (i) the omitted information is not material and (ii) the omitted information would likely cause competitive harm if publicly disclosed.

SIGNATURES

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

AXONICS, INC.

Date: May 7, 2021 By: /s/ Raymond W. Cohen
Raymond W. Cohen
Chief Executive Officer and Director
(Principal Executive Officer)

Date: May 7, 2021 By: /s/ Dan L. Dearen
Dan L. Dearen
President and Chief Financial Officer
(Principal Financial and Accounting Officer)

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Exhibit 10.1

DATED February 25, 2021

(1) **CONTURA HOLDINGS LIMITED**

(2) **AXONICS MODULATION TECHNOLOGIES, U.K. LIMITED**

(3) **AXONICS MODULATION TECHNOLOGIES, INC.**

AGREEMENT

relating to the sale and purchase of
the whole of the issued share capital of
Contura Limited

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

CONTENTS

Clause Page

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

THIS AGREEMENT is made on February 25, 2021

BETWEEN:

(1) **CONTURA HOLDINGS LIMITED**, a company incorporated in England and Wales with registered number 10166891 whose registered office is at 14 Took's Court, London, England, EC4A 1LB (the "**Vendor**");

(2) **AXONICS MODULATION TECHNOLOGIES, U.K. LIMITED**, a company incorporated in England and Wales with registered number 09622653 whose registered office is at 5th Floor, One New Change, London, United Kingdom, EC4M 9AF (the "**Purchaser**"); and

(3) **AXONICS MODULATION TECHNOLOGIES, INC.**, a company incorporated in the State of Delaware, U.S.A. whose principal place of business is at 26 Technology Drive Irvine, CA 92618 U.S.A. (the "**Guarantor**").

WHEREAS:

(A) The Company is a private company limited by shares incorporated in England and Wales with registered number 03145216. Further particulars of the Company are set out in Part 1 of Schedule 1.

(B) The Vendor has agreed to sell and the Purchaser has agreed to purchase the whole of the issued share capital of the Company on and subject to the terms and conditions of this Agreement.

(C) The Purchaser has agreed to purchase the whole of the issued share capital of the Company after completion of the Pre-Completion Reorganisation with the binding and full benefit of the Intellectual Property Assignment Agreement, the Cross-Licence Agreement, the Know-how Licence Agreement and the Exclusive Manufacturing and Supply Agreement.

(D) By virtue of the Intellectual Property Assignment Agreement, the Vendor's Group will assign and transfer to the Company certain Intellectual Property relating to the Bulkamid Products and Rectamid.

(E) By virtue of the Cross-Licence Agreement, the Acquired Group Companies will agree to use certain transferred Intellectual Property only in the Field and will grant the Vendor's Group an exclusive licence to use certain transferred Intellectual Property outside the Field. Also by virtue of the Cross-Licence Agreement, the Vendor's Group will grant the Acquired Group Companies the right to use certain trade marks exclusively in the Field.

(F) By virtue of the Know-how Licence Agreement, the Vendor's Group will grant the Company the right to use certain non-Field specific Know-how exclusively in the Field.

(G) By virtue of the Exclusive Manufacturing and Supply Agreement, the Vendor's Group will manufacture the Bulkamid Product for the Company.

(H) The Intellectual Property Assignment Agreement, the Cross-Licence Agreement, the Know-how Licence Agreement and the Exclusive Manufacturing and Supply Agreement constitute a material part of the transaction contemplated under this Agreement.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 In this Agreement, unless the context requires otherwise:

"**A Preferred Shares**" means 14,206,178 fully paid A preferred shares of £0.01 each in the capital of the Company;

"**Accounts**" means:

(a) the audited individual financial statements of the Company;

(b) the unaudited individual financial statements of Contura Deutschland GmbH; and

(c) the unaudited individual financial statements of Contura France SARL,

in each case for the financial year ended on the Accounts Date;

"**Accounts Date**" means 31 December 2019;

"**Acquired Group**" means the Acquired Group Companies taken as a whole;

"**Acquired Group Companies**" means the Company and the Subsidiaries and "Acquired Group Company" means any one of them;

"**Acquired Group Matter**" means any fact, matter or circumstance relating to the Bulkamid Product, Rectamid or other assets licenced or transferred to the Acquired Group pursuant to the Pre-Completion Reorganisation or the Transaction Documents or the transactions to be effected pursuant to the Transaction Documents;

"**Acquired Group's Transaction Costs**" means any professional fees, expenses or other costs (in each case including VAT) paid or incurred or owing in each case at or after Completion by any Acquired Group Company, in each case in connection with the preparation, negotiation or consummation of any transaction contemplated by this Agreement, including any bonus payments payable by any Acquired Group Company to directors, officers or employees of the Company to be paid on or around Completion in

connection with this Agreement (excluding the Exit Bonus Payments to the extent that such amount is paid to the Acquired Group by the Vendor);

"**Agreed Form**" means, in relation to a document, that document in the form agreed by the Vendor and the Purchaser;

"**Anti-corruption Laws**" means any and all laws, statutes, regulations, subordinate legislation, orders, directions, bye-laws, judgments, decisions, injunctions of any court or tribunal, codes of practice, guidance notes, decrees and treaties to the extent that they relate to or apply to anti-bribery and corruption or anti-money laundering (including the UKBA and the Proceeds of Crime Act 2002 and the United States Foreign Corrupt Practices Act 1977);

"**Asset Transfer Agreement**" means the asset transfer agreement in the Agreed Form entered into on or prior to Completion between the Company, Contura International and the Vendor;

"**Associate**" means, in relation to any person, a person who is connected with that person within the meaning of section 1122 of the CTA 2010;

"**Bad Debt**" has the meaning given in Clause 27.2;

"**B Preferred Shares**" means 4,672,896 fully paid B preferred shares of £0.01 each in the capital of the Company;

"**Bulkamid Product**" means the Bulkamid Kit (BUKIT) and Bulkamid 1mL syringe (BU10), and any other product based on or derived from those products whether or not such product is marketed, offered for sale, distributed, manufactured or sold under any of such product's existing Marketing Authorisations, names or trade marks;

"**Bulkamid Product Sales**" means the global net sales in USD$ attributable to the Bulkamid Product as determined in accordance with Clause 7 and Schedule 12;

"**Business Day**" means a day which is not a Saturday, Sunday or public holiday in England;

"**Business Hours**" means the hours of 9am to 5pm on a Business Day;

"**Business Information**" means information relating to the business, affairs, products, services, activities, operations, properties, finances, assets or liabilities of any Acquired Group Company or (in respect of any licence granted to any Acquired Group Company under the Cross-Licence Agreement or the Know-how Licence Agreement) any member of the Vendor's Group (whether or not confidential and in whatever form held) including Know-how, information relating to customers, suppliers and other commercial relationships, sales information, business plans and forecasts, information relating to

business development and future projects, accounting, financial and Tax records and correspondence, orders and enquiries;

"**Business IP**" means all Intellectual Property owned, used, or licenced to be used, by an Acquired Group Company;

"**CA 2006**" means the Companies Act 2006;

"**Carve-Out Accounts**" means the unaudited pro forma financial information prepared to show the financial position of the Acquired Group following completion of the Pre-Completion Reorganisation for the 1 month period ended on 31 January 2021, a copy of which can be found at section 04.55 of the Data Room;

"**Carve-Out Assets**" has the meaning given in the definition of Pre-Completion Reorganisation;

"**Carve-Out Business**" means the business of the sale of any Products other than the Bulkamid Product or Rectamid;

"**Carve-Out Liabilities**" means all obligations and liabilities of any nature of the Acquired Group Companies relating to the Carve-Out Business or the Carve-Out Assets (whether present or future and whether actual or contingent) which are due or outstanding on, or have accrued at, Completion;

"Cash" means the aggregate amount of cash (including but without limitation all amounts entered into any cash book or the like (by whatever name called)) and cash equivalents held by the Acquired Group (including cash balances in favour of the Acquired Group as at the Effective Time), agreed or determined in accordance with Clause 5 and Schedule 10;

"**Claim**" means any claim for breach of Warranty, any Tax Warranty Claim or any Tax Covenant Claim;

"**Collection Debts**" means the receivables of an Acquired Group Company as at Completion, save to the extent that a provision is made in the Completion Accounts in respect thereof;

"**Commerzbank Loan**" means the loan made to Contura Deutschland GmbH pursuant to the loan agreement dated 27 April 2020 arranged by Commerzbank Aktiengesellschaft from KfW;

"**Company**" means Contura Limited, brief particulars of which are set out in Part 1 of Schedule 1;

"**Competing Business**" means any business which supplies Relevant Products or Services;

"**Competition Authority**" means any person, governmental body, agency or authority which is or was responsible for conducting investigations pursuant to, monitoring compliance with and/or upholding and enforcing Competition Law, including the United Kingdom Competition and Markets Authority and the European Commission;

"**Competition Law**" means the competition, antitrust, trade practices, merger control and similar laws which are, or have been, applicable in any jurisdiction in which any Acquired Group Company conducts, has conducted, or intends to conduct, business or where its activities may have an effect, including Articles 101 and 102 of the Treaty on the functioning of the European Union, Chapters I and II of the Competition Act 1998, the Enterprise Act 2002 and the EU Merger Regulation (Regulation 139/2004/EC);

"**Completion**" means completion of the sale and purchase of the Shares in accordance with Clause 4.1;

"**Completion Accounts**" means a consolidated balance sheet of the Acquired Group in the format set out in Part 2 of Schedule 11 as at the Effective Time prepared and agreed or determined in accordance with Clause 5 and Schedule 11;

"**Completion Cash Payment**" means USD $132,647,794, being the aggregate of:

(a) the Headline Purchase Price;

(b) PLUS USD $82,770, being the amount of Estimated Net Debt;

(c) LESS the Escrow Amount;

(d) LESS the Consideration Shares Amount;

(e) LESS the US Sale Consideration;

(f) LESS the W&I Policy Premium;

(g) LESS the Tail Policy Premium USD;

(h) LESS 50% of the Escrow Fee;

"**Completion Accounts Disputed Matters**", "**Completion Accounts Dispute Notice**" and "**Completion Accounts Dispute Resolution Period**" have the respective meanings given in Clause 5;

"**Completion Date**" means the date on which Completion takes place;

"**Completion Payment**" means USD $195,897,794, being the aggregate of the Completion Cash Payment, the Consideration Shares Amount and the Escrow Amount;

"**Consideration Shares**" means 1,096,583 shares of common stock of the Guarantor, having an aggregate value of the Consideration Shares Amount;

"**Consideration Shares Amount**" means USD $58,750,000;

"**Contura International**" means Contura International Limited, a company incorporated in England and Wales with registered number 13119454 whose registered office is at 14 Took's Court, London, United Kingdom, EC4A 1LB;

"**Cross-Licence Agreement**" means the intellectual property licence agreement in the Agreed Form to be entered into between Contura A/S and the Company on the Completion Date with respect to certain Intellectual Property, as set out in Parts 3 and 4 of Schedule 7;

"**CTA 2010**" means the Corporation Tax Act 2010;

"**Current Good Manufacturing Practice**" means the highest standard of all guidelines for good manufacturing processes, i.e. for methods to be used in, and the facilities or controls to be used for, the manufacture, processing, testing, packaging, labelling, handling or storage of a product to assure that it is safe, and has the identity and strength and meets the quality and purity characteristics that it purports, or is represented, to possess ("**GMP Guidelines**") in a relevant jurisdiction, in their latest applicable version. This term shall also include guidelines that are issued by either national or international bodies in the relevant jurisdiction and that are either explicitly or implicitly related to the GMP Guidelines such as e.g., the guidelines on statistics. For EU countries, the currently valid GMP Guidelines include as applicable Directive 2003/94/EC and the corresponding implementation guidelines. For the U.S., the currently valid GMP Guidelines include the regulations set forth in 21 C.F.R. Part 820 and all related FDA guidance documents;

"**Data Room**" means the data room operated by the Vendor and made available to the Purchaser for the purposes of reviewing information relating to the Acquired Group which data room is recorded on a USB memory stick, the index of which is in the Agreed Form;

"Debt" means:

(a) the aggregate amount of any borrowing or indebtedness in the nature of borrowing of the Acquired Group from banks or similar institutions and the aggregate amount of the indebtedness of the Acquired Group for finance leases (or similar arrangements where the Acquired Group does not receive good title to goods until such goods have been paid for in full) as at the Effective Time (including in each case accrued interest and penalties thereon and including any break fees which would be incurred were such facilities to be terminated at Completion); and

(b) the aggregate amount of any liabilities of the Group under the UK Covid-19 VAT deferral programme pursuant to which the Group has deferred the payment of VAT as at the Effective Time (being £369,429),

agreed or determined in accordance with Clause 5 and Schedule 10 and containing only those line items specifically referenced in Part 4 of Schedule 10;

"Default Rate" means a rate per annum of 3 per cent above the base lending rate from time to time of Barclays Bank plc;

"**Deferred VAT**" means £369,429;

"**Disclosed**" means facts, matters or other information fairly disclosed by or in the Disclosure Letter in such a manner and with such detail and accuracy as is sufficient to enable the Purchaser to identify and understand the nature and scope of the fact, matter or information concerned and to make an informed assessment of its likely impact and effect, or is otherwise disclosed in the Disclosure Letter as a "General Disclosure";

"**Disclosure Letter**" means the letter of the same date as this Agreement from the Vendor to the Purchaser qualifying the Warranties and the Tax Warranties, including the Disclosure Schedule;

"**Disclosure Schedule**" means the schedule to the Disclosure Letter;

"**Draft Completion Accounts**" means the draft of the Completion Accounts prepared in accordance with Clause 5.1(a);

"**Draft Net Debt Statement**" means the draft of the Net Debt Statement prepared in accordance with Clause 5.1(b);

"**Draft WC Statement**" means the draft of the WC Statement prepared in accordance with Clause 5.1(b);

"**Effective Time**" means midnight (Pacific Time) on the Completion Date;

"**Effectiveness Period**" has the meaning given in Clause 25.1;

"**Encumbrance**" means any claim, charge, mortgage, pledge, lien, licence, assignment, hypothecation, option, equity, power of sale, retention of title, restriction, agreement for sale, estate contract, right to acquire, right of pre-emption, right of first refusal or other third party right or security interest of any kind or any other type of preferential arrangement (including a title transfer or retention agreement) having similar effect or an agreement, arrangement, obligation or commitment to create any of the foregoing;

"**Environmental Claims**", "**Environmental Laws**" and "**Environmental Permits**" have the meanings given in paragraph 33 of Schedule 5;

"**Escrow Account**" means the interest-bearing bank account maintained by the Escrow Account Agent in accordance with the terms of this Agreement and the Escrow Agreement;

"**Escrow Account Agent**" means Apex Corporate Trustees (UK) Limited of 6th Floor 125 Wood Street, London EC2V 7AN;

"**Escrow Agreement**" means the agreement in the Agreed Form to be entered into on Completion between (1) the Purchaser (2) the Vendor, (3) the Escrow Account Agent and (4) Contura International;

"**Escrow Amount**" means USD $4,500,000;

"Escrow Fee" means USD $15,300 (excluding VAT where applicable);

"Escrow Fee Letter" means the escrow fee side letter in the Agreed Form to be entered into on Completion between (1) the Purchaser (2) the Vendor, (3) the Escrow Account Agent and (4) Contura International setting out the fees payable to the Escrow Account Agent pursuant to the Escrow Agreement;

"**Estimated Cash**" means USD $724,323, being the parties' estimate of what Cash will be as at the Effective Time;

"**Estimated Debt**" means USD $641,552, being the parties' estimate of what Debt will be as at the Effective Time, including for the avoidance of doubt (i) the parties' estimate of the amount required to repay the Commerzbank Loan; and (ii) the Deferred VAT, in each case at the Effective Time;

"**Estimated Liability**" has the meaning given in Clause 9.6(d);

"**Estimated Net Debt**" means Estimated Cash less Estimated Debt;

"**Exchange Rate**" means, in respect of any amount denominated in any currency and to be converted into any other currency on any date, the rate of exchange listed on Bloomberg.com for that conversion on that date or (if none is listed for that date) on the next day on which a rate is listed;

"**Exclusive Manufacturing and Supply Agreement**" means the exclusive manufacturing and supply agreement in the Agreed Form to be entered in between Contura International A/S and the Company on the Completion Date;

"**Exit Bonus Letter**" means, in respect of each Exit Bonus Participant, the letter dated 22 September 2020 or 19 November 2020 (as applicable) from the Vendor to that Exit Bonus

Participant under which the Vendor agrees to pay a bonus to the Exit Bonus Participant on the occurrence of specified events;

"**Exit Bonus Participants**" means each of:

(a) [***];

(b) [***]; and

(c) [***];

"**Exit Bonus Payment**" means any amount payable by the Vendor to an Exit Bonus Participant under an Exit Bonus Letter;

"**FDA**" means the U.S. Food and Drug Administration;

"**Field**" means the field of bladder and bowel dysfunction in humans, including stress urinary incontinence and fecal incontinence;

"**FRC**" means the Financial Reporting Council of the UK;

"**FRS 102**" means FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the FRC and in force for the accounting period ended on the Accounts Date;

"**Fundamental Warranties**" means the Warranties set out at paragraphs 1, 2.1 to 2.6 (inclusive) and paragraph 39 of Schedule 5;

"**German Lease**" means the lease of the German Property, further details of which are set out in Part 1 of Schedule 2;

"**German Property**" means the land and building referred to in Part 1 of Schedule 2;

"**Government Official**" means any officer, employee, agent, representative or other person (individual or corporate), whether elected or appointed, acting on behalf of:

(a) a Governmental Entity of any kind;

(b) a political party, or a candidate for political office (including the candidate);

(c) an entity owned or controlled by any national, state, provincial or local government, including any entity engaged in ordinary commercial activity; or

(d) a public international organisation, such as the United Nations, UNESCO, the World Bank, the International Monetary Fund, the Asian Development Bank, or similar institution.

"**Governmental Entity**" means any court, tribunal, administrative agency, department or commission or other national, federal, state, county, local or foreign government body, enterprise or instrumentality (including any state-owned or state-controlled commercial entity) agency or commission or any private bodies which fulfil regulatory or other legal tasks including, for the avoidance of doubt, notified bodies in the European Union;

"**Granted Marketing Authorisations**" means any Marketing Authorisations granted in relation to the Products;

"**Headline Purchase Price**" means USD $200,000,000;

"**Health and Safety Laws**" means any and all laws, statutes, regulations, subordinate legislation, orders, directions, bye-laws, judgments, decisions and injunctions of any court or tribunal, codes of practice, guidance notes, decrees and treaties to the extent they relate to or apply to the health and safety of any person (including the Health and Safety at Work etc. Act 1974 and the United States Occupational Safety and Health Act 1970);

"**Holders**" has the meaning given in Clause 25.1;

"**holding company**" has the meaning given in Clause 1.2(g);

"**IFRS**" International Financial Reporting Standards (including international accounting standards, international financial reporting standards and interpretations of such standards) as formally adopted for use in the European Union under EU Regulation 1606/2002 and in force for the accounting period ended on the Accounts Date;

"Independent Firm" has the meaning given in Clause 8.1;

"**Initial Agreement Period**" has the meaning given in Clause 5.2;

"**Initial Purchase Price**" has the meaning given in Clause 3.1;

"**Intellectual Property**" means:

(a) patents, utility models, supplementary protection certificates, petty patents, rights in trade secrets and other confidential or undisclosed information (such as inventions, whether patentable or not, and Know-how), plant variety rights, registered designs, rights in copyright (including authors' and neighbouring or related rights), database rights, design rights, semiconductor topography rights, mask work rights, trademarks, service marks and unregistered/common law rights;

(b) all registrations and applications to register any of the items referred to in paragraph (a) of this definition; and

(c) all worldwide rights in the nature of any of the items referred to in paragraphs (a) or (b) of this definition including continuations, continuations in part and divisional applications, reissues, re-examinations, national phase validations, reputation, personality or image, trade names, business names, brand names, get-up, logos, domain names and URLs, social media user names or handles, rights in unfair competition and, without prejudice to anything set out elsewhere in this definition, rights to sue for passing off and all rights having equivalent or similar effect thereto, and the right to apply for any of, the rights referred to in this definition in any jurisdiction;

"**Intellectual Property Assignment Agreement**" means the intellectual property assignment agreement in the Agreed Form to be entered into between Contura A/S, Contura International A/S and the Company on the Completion Date in respect of, inter alia, the Intellectual Property set out in Part 2 of Schedule 7;

"**Joint Liquidators**" means Michael Sanders and Georgina Eason of MHA MacIntyre Hudson or any other subsequently appointed liquidator of the Vendor;

"**Know-how**" means industrial, manufacturing, technical and commercial information and techniques in any form whether or not confidential, proprietary, patented or patentable including drawings, designs, data relating to inventions, formulae, methods, processes, trade secrets, performance methodologies, techniques, specifications, technical information, component lists, expertise, test results, reports, research reports, project reports and testing procedures, instruction and training manuals, operating tables of operating conditions, market forecasts and lists and particulars of customers and suppliers;

"**Know-how Licence Agreement**" means the know-how licence agreement in the Agreed Form to be entered into between Contura A/S, Contura International A/S and the Company on the Completion Date in respect of certain Know-how relating to the Manufacture of the Products, as set out in Part 3 of Schedule 7;

"**Leases**" means the German Lease and the US Lease;

"**Licensed Marketing Authorisations**" means any Granted Marketing Authorisations held by a third party in accordance with a contractual right, authorisation or license granted by an Acquired Group Company or a member of the Vendor's Group;

"**Management Accounts**" means the unaudited individual management accounts of the Company and each of the Subsidiaries for the 12 month period ended on 31 December 2020, a copy of which can be found at section 04.05.05.15, 04.10.05.15, 04.15.05.15 and 04.25.05.15 of the Data Room;

"**Manufacture**" means planning, purchasing of materials for manufacturing, manufacture, processing, formulating, compounding, assembly, storage, filling, packaging, labelling, leafleting, testing, waste disposal, quality assurance and control, despatch, sample retention and, to the extent required by applicable laws, stability testing, verification and validation testing, and release of finished products;

"**Marketing Authorisations**" means in relation to any Product, exclusive or non-exclusive (co-)promotion/(co-)marketing rights granted by any governmental agency, administrative or regulatory body, including a Premarket Approval Application ("**PMA**") submitted to the FDA, to any Acquired Group Company or a member of the Vendor's Group or held by a third party in accordance with a contractual right, authorisation or license granted by an Acquired Group Company or a member of the Vendor's Group, and "**Marketing Authorisation**" means any one of them;

"**Milestone**" has the meaning given in Clause 7.1;

"**Milestone Disputed Matters**", "**Milestone Dispute Notice**" and "**Milestone Dispute Resolution Period**" have the respective meanings given in Clause 7;

"**Milestone Incentive Letter**" means, in respect of each Milestone Incentive Recipient, the letter in the Agreed Form to be entered into between that Milestone Incentive Recipient and Contura International under which that Milestone Incentive Recipient may, subject to other conditions, be entitled to receive a cash bonus of USD $500,000 (prior to Tax) if the Milestone Payment becomes payable under this Agreement;

"**Milestone Incentive Recipients**" means each of:

(a) [***];

(b) [***];

(c) [***]; and

(d) [***];

"**Milestone Payment**" means USD $35,000,000;

"Milestone Payment Date" means the date that is 20 Business Days following the date on which a Milestone Statement that has been agreed or determined in accordance with Clause 7 and Schedule 12 shows that the Milestone has been satisfied during the Milestone Period;

"**Milestone Period**" means the period commencing on 1 January 2021 and ending on 31 December 2024;

"**Milestone Quarter**" means the three calendar months ending 31 March, 30 June, 30 September and 31 December of each year, the first such Milestone Quarter being the three calendar months ending 30 June 2021;

"**Milestone Statement**" has the meaning given in Clause 7;

"**Milestone Year**" means any period of 12 months ending on the last day of a Milestone Quarter during the Milestone Period, provided that for the Milestone Quarters ended 30 June 2021, 30 September 2021 and 31 December 2021, "**Milestone Year**" shall mean the period of three months, six months and nine months respectively ending on the last date of that Milestone Quarter;

"**Net Debt**" means Debt less Cash (unless Cash exceeds Debt in which case it shall mean Cash less Debt);

"Net Debt Statement" means the statement in the format set out in Part 4 of Schedule 10 setting out the Net Debt prepared and agreed or determined in accordance with Clause 5 and Schedule 11;

"**New Purchaser**" has the meaning given in Schedule 12;

"**New Purchaser's Group**" means the New Purchaser and each of the following from time to time:

(a) its subsidiaries;

(b) any holding company of the New Purchaser; and

(c) any other subsidiaries of any such holding company;

and each company in the New Purchaser's Group is a "**member of the New Purchaser's Group**";

"Novation" has the meaning given in Schedule 14;

"**Ordinary Shares**" means 2,800,000 fully paid ordinary shares of £0.00333333 each in the capital of the Company;

"**Outstanding Claim**" has the meaning given in Clause 9.4;

"**Owned Business IP**" means the registered and unregistered Intellectual Property owned by any Acquired Group Company after completion of the Pre-Completion Reorganisation;

"**Owned Marketing Authorisations**" means any Granted Marketing Authorisations granted to an Acquired Group Company or a member of the Vendor's Group;

"**party**" or "**parties**" means a party or the parties to this Agreement;

"**Pension Scheme**" means:

(a) the Company's pension scheme with Aegon Scottish Equitable established with effect from 1 September 2009 and which is registered under Chapter 2 of Part 4 of the Finance Act 2004;

(b) the pension benefit plan (*Leistungsplan*) for Contura Deutschland GmbH with Generali Unterstützungskasse e.V. dated 6/22 January 2009 which is fully backed by corresponding reinsurance policies (*kongruente Rückdeckversicherungen*);

(c) the pension for Contura France SARL corresponding to the mandatory pension (*"retraite obligatoire"*) including the state pension and the supplementary pension (*"retraite complémentaire"*) that are contributory for employers and employees;

"**Permit**" means any licence, consent, permission, certificate, approval, qualification, Marketing Authorisations, registration and authorisation granted by a Governmental Entity;

"**Pre-Completion Reorganisation**" means:

(a) the transactions summarised in the steps plan dated 11 February 2021 set out in section 09/03/45/01 of the Data Room;

(b) the transfer to the Acquired Group of the assets of the Vendor's Group set out in Part 1 of Schedule 11;

(c) the transfer to the Vendor's Group of:

(i) the business and/or assets of the Acquired Group set out in Part 2 of Schedule 11; and

(ii) the whole of the issued share capital of each of Contura A/S and Speciality European Pharma (Italy) S.r.l. from the Company to member(s) of the Vendor's Group,

((i) and (ii) being, the "**Carve-out Assets**"),

pursuant to the Pre-Completion Reorganisation Documents;

"**Pre-Completion Reorganisation Documents**" means the documents to effect the Pre-Completion Reorganisation set out in section 09/03/45/05 and folders B, C, D and E in section 09/45/10 of the Data Room, including those documents in the Agreed Form set out in paragraphs 1(p) to 1(gg) of Schedule 4;

"**Products**" means (i) all products manufactured, distributed, marketed or sold by any Acquired Group Company on the Completion Date and/or in the five years prior to Completion Date, including the Bulkamid Product and (ii) any Bulkamid Product sold by any member of the Vendor's Group on the Completion Date and/or in the five years prior to the Completion Date;

"**Properties**" means the German Property and the US Property;

"**Property Interest**" means any estate, right, title or interest including contractual rights under a licence to occupy;

"**Prospectus Supplement**" has the meaning given in Clause 25.1;

"**PSC Register**" means the register required to be kept by a Company in accordance with section 790M CA 2006;

"**Purchase Price**" has the meaning given in Clause 3.1;

"**Purchaser's Bank Account**" means such bank account as is notified by the Purchaser to the Vendor from time to time;

"**Purchaser's Group**" means the Purchaser and each of the following from time to time:

(a) its subsidiaries;

(b) any holding company of the Purchaser; and

(c) any other subsidiaries of any such holding company;

and each company in the Purchaser's Group is a "**member of the Purchaser's Group**";

"**Purchaser's Key Personnel**" means Swaril Mathur, Dan Dearen, Raymond Cohen and Aaron Pettit;

"**Purchaser's Solicitors**" means K&L Gates LLP of One New Change, London, EC4M 9AF;

"**R&D Repayment**" has the meaning given in Clause 29.1;

"**Rectamid**" means the hydrogel product for fecal incontinence indications, all formulations for such product, and all other products based on or derived from such product, in each case in the Field;

"**Regurin**" means Regurin XL and Regurin BD;

"**Registration Statement**" has the meaning given in Clause 25.1;

"**Relevant Acquired Group Employee**" means any individual who was at any time during the period of 12 months before the Completion Date employed or engaged (whether as an employee, consultant or otherwise) by any Acquired Group Company (but excluding any Transferred-out Employee);

"**Relevant Customer**" means any person who at any time during the 36 months before the Completion Date was:

(a) engaged in negotiations with any Acquired Group Company for the supply by any Acquired Group Company of goods or services;

(b) a client or customer of any Acquired Group Company; or

(c) in the habit of dealing with any Acquired Group Company;

"**Relevant Products or Services**" means products or services which (a) are competitive with the Bulkamid Product or Rectamid or (b) could be used to treat bladder or bowel dysfunction;

"Relevant Vendor's Group Employee" means any individual who was at any time during the period of 12 months before the Completion Date employed or engaged (whether as an employee, consultant or otherwise) by any member of the Vendor's Group (including any Transferred-out Employee), but excluding [***];

"Relief" has the meaning given in Part 1 of Schedule 8;

"Retained Amount" has the meaning given in Clause 9.4;

"**Section 338(g) Election**" has the meaning given in Clause 16.7;

"**Securities Act**" means the U.S. Securities Act of 1933;

"**Shares**" means the Ordinary Shares, the A Preferred Shares and the B Preferred Shares, comprising the whole of the issued share capital of the Company;

"**Specific Indemnity Claim**" means any claim under Clauses 13.1 or 13.3;

"**Subsidiaries**" means the companies, brief particulars of which are set out in Part 2 of Schedule 1;

"**subsidiary**" has the meaning given in Clause 1.2(g);

"**subsidiary undertaking**" has the meaning given in section 1162 of the CA 2006;

"Tail Policy" means the insurance policy endorsement in the Agreed Form attaching to and forming part of policy number 2101158 made between NWL Syndicate 1218 at Lloyd's and, inter alia, the Vendor's Group on or around the date of this Agreement of which the Acquired Group Companies are named as beneficiaries;

"**Tail Policy Premium CAD**" means CAD $[***];

"**Tail Policy Premium USD"** means USD $[***];

"**Target Working Capital Value**" means £[***];

"**Tax**" or "**Taxation**" has the meaning given in Part 1 of Schedule 8;

"**Tax Authority**" has the meaning given in Part 1 of Schedule 8;

"**Tax Covenant**" means the covenant relating to Tax contained in Part 2 of Schedule 8;

"**Tax Covenant Claim**" means any claim by the Purchaser under the Tax Covenant;

"**Tax Warranties**" means the representations and warranties given by the Vendor pursuant to Clause 5 and set out at Part 3 of Schedule 8;

"**Tax Warranty Claim**" means any claim for breach of any of the Tax Warranties;

"**Transaction Documents**" means this Agreement and each agreement to be entered into pursuant to this Agreement;

"**Transfer Agent**" means ComputerShare Trust Company, N.A. (″**ComputerShare**″) as the transfer agent for the common stock (″**Axonics Common Stock**″) of the Guarantor or such other transfer agent for Axonics Common Stock in the event ComputerShare no longer serves in such role;

"**Transfer Regulations**" means the Transfer of Undertakings (Protection of Employment) Regulations 2006 and any predecessor regulations including the Transfer & Undertakings (Protection of Employment) Regulations 1981;

"**Transferred-out Employees**" means each of the following:

(a) [***];

(b) [***];

(c) [***];

(d) [***];

(e) [***]; and

(f) [***].

"**Transitional Services Agreement**" means the transitional services agreement in the Agreed Form to be entered into between Contura International and the Guarantor on the Completion Date;

"**UK GAAP"** means financial Reporting Standard 102 as issued by the Financial Reporting Council in the United Kingdom, together with all other generally accepted accounting principles, policies and practices applied in the United Kingdom and the applicable accounting requirements of the Companies Act 2006, in each case, extant as at the Completion Date;

"**UKBA**" means the Bribery Act 2010;

"**US GAAP"** means the generally accepted accounting principles, policies and practices applied in the United States of America;

"**US Lease**" means the lease of the US Property, further details of which are set out in Part 2 of Schedule 2;

"**US Property**" means the land and building referred to in Part 2 of Schedule 2;

"**US Sale Agreement**" means the agreement in the Agreed Form dated on or prior to the date of this Agreement entered into between Contura Inc. and the US Sellers;

"**US Sale Consideration**" means the sum of USD $3,810,000, being the aggregate amount payable to the US Sellers under the US Sale Agreement;

"**US Sellers**" means each of:

(a) [***];

(b) [***];

(c) [***];

(d) [***];

(e) [***]; and

(f) [***];

"**VAT**" means:

(a) within the European Union, any Tax imposed by any "Member State" in conformity with the Directive of the Council of the European Union on the common system of value added tax (2006/112/EC); and

(b) outside the European Union, any Tax corresponding to, or substantially similar to, the common system of value added tax referred to in paragraph (a) of this definition,

and (in respect of periods when the United Kingdom was a member of the European Union and in respect of periods following its departure from the European Union) "VAT" includes the Tax as currently constituted by the United Kingdom Value Added Tax Act 1994 ("**VATA 1994**") and any other tax imposed in addition or in substitution for it at the rate from time to time imposed;

"**Vendor Assignee**" has the meaning given in paragraph 1.1 of Part 1 of Schedule 14;

"**Vendor's Group**" means:

(a) prior to the Novation taking effect in accordance with Schedule 14, the Vendor and its subsidiaries (including Contura A/S and its subsidiaries but excluding the Acquired Group Companies); and

(b) after the Novation taking effect in accordance with Schedule 14, Contura International and its subsidiaries,

each company in the Vendor's Group is a "**member of the Vendor's Group**";

"**Vendor's Solicitors**" means CMS Cameron McKenna Nabarro Olswang LLP of Cannon Place, 78 Cannon Street, London, EC4N 6AF;

"**W&I Insurer**" means Euclid Transactional UK Limited, whose registered office is at 8 Devonshire Square, London, EC2M 4PL;

"**W&I Policy**" means the insurance policy with policy number ETUK(26)/1/21 made between the W&I Insurer and the Purchaser on or around the date of this Agreement;

"**W&I Policy Premium**" means the amount of USD $[***] (inclusive of Tax);

"**Warranties**" means the representations and warranties given by the Vendor pursuant to Clause 5 and set out in Schedule 5 and "**Warranty**" means any one of them;

"**Warranty Claim**" means any claim for breach of any of the Warranties other than a claim for breach of any of the Fundamental Warranties;

"**WC Statement**" means the statement in the format set out in Part 3 of Schedule 10 setting out the Working Capital Value prepared and agreed or determined in accordance with Clause 5 and Schedule 10; and

"**Working Capital Value**" means the amount by which the current assets of the Acquired Group exceed its current liabilities as at the Effective Time, agreed or determined in accordance with Clause 5 and Schedule 10 (as derived from the Completion Accounts and as shown in the WC Statement) and containing only those line items specifically referenced in the pro forma completion accounts set out in Part 2 of Schedule 10.

1.2 In this Agreement, unless the context requires otherwise:

(a) references to this Agreement (and to Clauses and Schedules) are references to this Agreement (and the Clauses and Schedules of this Agreement) as in force from time to time and as amended, modified, supplemented, varied, assigned or novated from time to time;

(b) references in a Schedule or in a Part of a Schedule to paragraphs are to paragraphs of that Schedule or that Part of that Schedule (as in force from time to time and as amended, modified, supplemented, varied, assigned or novated from time to time);

(c) words in the singular include the plural and vice versa and references to one gender include all genders;

(d) words which follow the terms "**include**(**s**)", "**including**", "**in particular**" or any similar term shall be construed as illustrative and shall not limit the sense or application of the words which precede those terms;

(e) references to a "**company**" include any body corporate or other corporation (wherever and however incorporated or established);

(f) references to a "**person**" include any individual, firm, company, government, state or agency of state, trust, foundation, association, consortium, joint venture or partnership (in each case, whether or not having separate legal personality);

(g) references to a "**holding company**" or a "**subsidiary**" are to a holding company or (as the case may be) a subsidiary within the meaning of section 1159 of the CA 2006;

(h) references to "**in writing**" or "**written**" include any mode of reproducing words in a legible and non-transitory form (including fax and email but excluding text messaging via mobile telephone);

(i) references to the Acquired Group or any Acquired Group Company shall, unless the context requires otherwise, be a reference to the Acquired Group or any Acquired Group Company as it exists immediately following completion of the Pre-Completion Reorganisation;

(j) references to a statute or statutory provision include:

(i) that statute or statutory provision as modified, re-enacted or consolidated from time to time (whether before or after the date of this Agreement);

(ii) any past statute or statutory provision (as modified, re-enacted or consolidated from time to time) which that statute or statutory provision has directly or indirectly replaced; and

(iii) any subordinate legislation made from time to time under that statute or statutory provision (whether before or after the date of this Agreement),

(k) references to "**balance sheet**" includes a statement of financial position or any similar or equivalent statement which presents an entity's (or, as applicable, a group of entities') assets, liabilities and equity in relation to a specific date and is required to be produced in accordance with relevant accounting standards;

(l) references to "**profit and loss account**" includes an income statement or equivalent statement or combination of statements which show all items of income and expense relating to an entity (or, as applicable, a group of entities) in relation to a specific period and is/are required to be produced in accordance with relevant accounting standards;

(m) references to times of day are to London time; and

(n) references to any English legislation, legal term or concept shall, in respect of any jurisdiction other than England, be construed as references to the legislation, term or concept which most nearly corresponds to it in that jurisdiction.

1.3 The Schedules form part of this Agreement and have the same force and effect as if set out in full in the body of this Agreement and any reference to this Agreement includes the Schedules.

1.4 Clause, Schedule and paragraph headings shall be ignored in interpreting this Agreement.

2. SALE OF SHARES

2.1 On and subject to the terms and conditions of this Agreement, the Vendor shall sell, and the Purchaser shall purchase, the Shares.

2.2 The Vendor covenants that it is the sole legal and beneficial owner of the Shares and has the right to transfer legal and beneficial title to the Shares. The Shares shall be sold by the Vendor free from all Encumbrances and together with all rights attaching to them as at the date of this Agreement (including the right to receive all dividends and distributions declared, paid or made on or after that date).

2.3 The Vendor waives irrevocably any rights of pre-emption over any of the Shares conferred on it by the Company's articles of association or in any other way and shall procure that, on or prior to Completion, any rights of pre-emption over any of the Shares conferred on any other person by the Company's articles of association or in any other way are waived irrevocably by the persons entitled to such rights.

2.4 The Purchaser shall not be obliged to complete the purchase of any of the Shares unless the purchase of all the Shares is completed simultaneously in accordance with this Agreement.

2.5 The Vendor appoints the Purchaser as its attorney in accordance with the terms of Schedule 3.

3. CONSIDERATION

3.1 The total consideration for the Shares (the **"Purchase Price"**) shall be the aggregate of:

(a) the Headline Purchase Price;

(b) **PLUS** the amount (if any) by which the Working Capital Value exceeds the Target Working Capital Value;

(c) **PLUS** the amount of the Net Debt (if Cash exceeds Debt);

(d) **LESS** the amount (if any) by which the Working Capital Value is less than the Target Working Capital Value;

(e) **LESS** the amount of the Net Debt (if Debt exceeds Cash);

(f) **LESS** the US Sale Consideration;

(g) **LESS** the W&I Policy Premium;

(h) **LESS** the Tail Policy Premium USD;

(i) **LESS** 50% of the Escrow Fee,

(the aggregate of paragraphs (a) to (i) being the "**Initial Purchase Price**"), and

(j) **PLUS** the Milestone Payment (if any).

3.2 The Purchase Price shall be satisfied and paid as follows:

(a) the Initial Purchase Price shall be satisfied as follows:

(i) the issue to the Vendor of the Consideration Shares on Completion, credited as fully paid and on terms that they rank pari passu in all respects with the existing issued shares of common stock in the capital of the Guarantor including the right to receive all dividends declared, made or paid after Completion; and

(ii) the balance of the Initial Purchase Price shall be satisfied in cash; and

(b) the Milestone Payment (if payable) shall be due and payable in accordance with Clause 7 on the Milestone Payment Date.

3.3 If any payment is made by the Vendor to the Purchaser in respect of any claim for any breach of this Agreement or pursuant to any indemnity under this Agreement (including any Claim) or to the Purchaser from the Escrow Account in accordance with the provisions of Schedule 9 such payment shall be made by way of adjustment of the consideration paid by the Purchaser for the Shares under this Agreement and the Purchase Price shall be deemed to have been reduced by the amount of such payment.

4. COMPLETION

4.1 Completion shall take place at the offices of the Purchaser's Solicitors immediately after signature of this Agreement or at such other location, time or date as may be agreed in writing between the Vendor and the Purchaser.

4.2 At Completion the Vendor shall comply with its obligations under Part 1 of Schedule 4 and, subject to due compliance by the Vendor with its obligations under Part 1 of Schedule 4, the Purchaser shall comply with its obligations under Part 2 of Schedule 4.

5. COMPLETION ACCOUNTS

5.1 The Purchaser shall:

(a) cause the Company to prepare the Draft Completion Accounts in accordance with the accounting principles, practices, policies and procedures set out in Part 1 of Schedule 10 and in the format set out in Part 2 of Schedule 10;

(b) by extracting the relevant items from the Draft Completion Accounts, prepare or cause to be prepared the Draft WC Statement in the format set out in Part 3 of

Schedule 10 and the Draft Net Debt Statement in the format set out in Part 4 of Schedule 10; and

(c) deliver the Draft Completion Accounts, the Draft WC Statement and the Draft Net Debt Statement to the Vendor by no later than 40 Business Days following the Completion Date.

5.2 The Vendor shall within the period of 20 Business Days following delivery of the Draft Completion Accounts, the Draft WC Statement and the Draft Net Debt Statement to it pursuant to Clause 5.1(c) (the **"Initial Agreement Period"**) either:

(a) confirm its agreement with the Draft Completion Accounts, the Draft WC Statement and the Draft Net Debt Statement so delivered; or

(b) give notice in writing to the Purchaser that the Vendor disputes the Draft Completion Accounts, the Draft WC Statement and/or the Draft Net Debt Statement (a **"Completion Accounts Dispute Notice"**).

5.3 Any Completion Accounts Dispute Notice shall set out in reasonable detail:

(a) the matters which are disputed (the **"Completion Accounts Disputed Matters"**);

(b) the reasons why such matters are disputed; and

(c) to the extent the Vendor is reasonably able to do so, the resulting adjustments which, in the opinion of the Vendor, should be made to the Draft Completion Accounts, the Draft WC Statement and/or the Draft Net Debt Statement.

A Completion Accounts Dispute Notice shall only be valid for the purposes of this Agreement if it is served prior to the expiry of the Initial Agreement Period and includes the information required by this Clause 5.3. Except for matters specifically set out in a valid Completion Accounts Dispute Notice served prior to the expiry of the Initial Agreement Period, the Vendor shall be deemed to have agreed in full with the Draft Completion Accounts, the Draft WC Statement and the Draft Net Debt Statement.

5.4 If the Vendor:

(a) does not serve a valid Completion Accounts Dispute Notice prior to the expiry of the Initial Agreement Period; or

(b) during the Initial Agreement Period confirms by notice in writing its agreement with the Draft Completion Accounts, the Draft WC Statement and the Draft Net Debt Statement (either as delivered in accordance with Clause 5.1 or as modified in such manner as shall be agreed between the Purchaser and the Vendor),

the Draft Completion Accounts, the Draft WC Statement and the Draft Net Debt Statement shall constitute the Completion Accounts, the WC Statement and the Net Debt Statement for the purposes of this Agreement and shall be final and binding on the Purchaser and the Vendor.

5.5 If the Vendor does serve a valid Completion Accounts Dispute Notice prior to the expiry of the Initial Agreement Period, then the Vendor and the Purchaser shall meet and discuss the Completion Accounts Disputed Matters and (acting in good faith) shall use their respective reasonable endeavours (in conjunction with their respective accountants) to reach agreement on the Completion Accounts Disputed Matters as soon as reasonably practicable and in any event within the period of 20 Business Days following the date of service of the Completion Accounts Dispute Notice (or such longer period as may be agreed in writing between the Vendor and the Purchaser) (the **"Completion Accounts Dispute Resolution Period"**) and either:

(a) if the Purchaser and the Vendor reach agreement on the Completion Accounts Disputed Matters during the Completion Accounts Dispute Resolution Period, the Draft Completion Accounts, the Draft WC Statement and the Draft Net Debt Statement shall be modified to reflect such agreement and, as so modified, shall constitute the Completion Accounts, the WC Statement and the Net Debt Statement for the purposes of this Agreement and shall be final and binding on the Vendor and the Purchaser; or

(b) if the Purchaser and the Vendor do not reach agreement on the Completion Accounts Disputed Matters prior to the expiry of the Completion Accounts Dispute Resolution Period, then either the Purchaser or the Vendor may refer the Completion Accounts Disputed Matters to an Independent Firm in accordance with Clause 8.

5.6 The Purchaser and the Vendor shall bear their own respective costs incurred in connection with the preparation, review and finalisation of the Draft Completion Accounts, the Draft WC Statement, the Draft Net Debt Statement, the Completion Accounts, the WC Statement and the Net Debt Statement and the agreement or determination of the Working Capital Value and the Net Debt (including any costs incurred in connection with any reference to an Independent Firm pursuant to Clause 5.5).

5.7 The Vendor and the Purchaser shall provide to each other access, on reasonable notice during Business Hours and subject to reasonable monitoring or supervision, to such documents and information as are in their possession or under their control (other than the working papers of any of their professional advisers) and to relevant personnel, as may in any case reasonably be requested for the purpose of preparing or reviewing the Draft Completion Accounts, the Draft WC Statement, the Draft Net Debt Statement, the Completion Accounts, the WC Statement and the Net Debt Statement and any Completion Accounts Dispute Notice as the case may be, provided that nothing shall require any party to disclose or provide access to any documents or information which are legally privileged or which that party is required by law or other legally binding obligation to keep confidential.

The inspecting party shall be entitled, at its own cost to take copies of all such documents and information that it is entitled to inspect under this Clause 5.7.

6. COMPLETION ACCOUNTS PAYMENT

6.1 Within 10 Business Days of the finalisation of the Completion Accounts, the WC Statement and the Net Debt Statement in accordance with Clause 5:

(a) if the Initial Purchase Price exceeds the Completion Payment, the Purchaser shall pay to the Vendor the amount of such excess;

(b) if the Completion Payment exceeds the Initial Purchase Price, the Vendor shall pay to the Purchaser the amount of such excess.

6.2 Any payment due under this Clause 6 shall be paid in accordance with Clause 39.

7. MILESTONE PAYMENT

7.1 If Bulkamid Product Sales exceed USD $50,000,000 in any Milestone Year during the Milestone Period (the "**Milestone**"), the Purchaser will pay the Milestone Payment to the Vendor on the Milestone Payment Date. For the avoidance of doubt, the Milestone Payment will not be payable if the Milestone is not met during the Milestone Period.

7.2 Within 30 Business Days of the last day of each Milestone Quarter during the Milestone Period, the Purchaser will deliver to the Vendor a statement of the Bulkamid Product Sales during the Milestone Year ending on the last day of that Milestone Quarter, calculated in accordance with Schedule 12 (the "**Milestone Statement**").

7.3 The Milestone Payment shall be paid in cash in accordance with Clause 39.1.

7.4 If there is a Milestone Payment, such payment shall be made by way of adjustment of the consideration paid by the Purchaser for the Shares under this Agreement and the Purchase Price shall be deemed to have been increased by the Milestone Payment.

7.5 The Vendor shall within the period of 20 Business Days following delivery of the Milestone Statement for the final quarter of a calendar year (the "**Milestone Statement Agreement Period**") give notice in writing (a "**Milestone Dispute Notice**") to the Purchaser that the Vendor disputes any of the Milestone Statements delivered during that calendar year. Any Milestone Dispute Notice shall set out in reasonable detail:

(a) the matters which are disputed (the "**Milestone Disputed Matters**");

(b) the reasons why such matters are disputed; and

(c) to the extent the Vendor is reasonably able to do so, the resulting adjustments which, in the opinion of the Vendor, should be made to the relevant Milestone Statement.

A Milestone Dispute Notice shall only be valid for the purposes of this Agreement if it is served prior to the expiry of the Milestone Statement Agreement Period and includes the information required by this Clause 7.5. Except for matters specifically set out in a valid Milestone Dispute Notice served prior to the expiry of the Milestone Statement Agreement Period, the Vendor shall be deemed to have agreed in full with the Milestone Statements delivered during that calendar year and (save in the case of fraud or manifest error) the Vendor shall not be entitled to dispute any such matters in any subsequent Milestone Statement.

7.6 If the Vendor:

(a) does not serve a valid Milestone Dispute Notice prior to the expiry of the Milestone Statement Agreement Period; or

(b) during the Milestone Statement Agreement Period confirms by notice in writing its agreement with the Milestone Statement (either as delivered in accordance with Clause 7.2 or as modified in such manner as shall be agreed between the Purchaser and the Vendor),

the Milestone Statement and shall be final and binding on the Purchaser and the Vendor.

7.7 If the Vendor does serve a valid Milestone Dispute Notice, then the Vendor and the Purchaser shall meet and discuss the Milestone Disputed Matters and (acting in good faith) shall use their respective reasonable endeavours (in conjunction with their respective accountants) to reach agreement on the Milestone Disputed Matters as soon as reasonably practicable and in any event within the period of 20 Business Days following the date of service of the Milestone Dispute Notice (or such longer period as may be agreed in writing between the Vendor and the Purchaser) (the "**Milestone Dispute Resolution Period**"). If the Purchaser and the Vendor:

(a) agree during the Milestone Dispute Resolution Period on the Milestone Disputed Matters, the Milestone Statement shall be modified to reflect such agreement and, as so modified, shall be final and binding on the Vendor and the Purchaser; or

(b) do not reach agreement prior to the expiry of the Milestone Dispute Resolution Period on the Milestone Disputed Matters, then either the Purchaser or the Vendor may refer the dispute to an Independent Firm in accordance with Clause 8.

7.8 The Purchaser and the Vendor shall bear their own respective costs incurred in connection with the preparation, review and finalisation of the any Milestone Statement and the agreement or determination of whether the Milestone Disputed Matters (including any costs incurred in connection with any reference to an Independent Firm pursuant to Clause 7.7).

7.9 The provisions of Part 3 of Schedule 12 shall apply.

7.10 Notwithstanding anything to the contrary in this Agreement or any Milestone Incentive Letter, any amounts paid to a Milestone Incentive Recipient and for which compensatory Tax withholding is required by applicable United States federal, state, or local law by the Purchaser (or a member of the Purchaser's Group) or an Acquired Group Company, as applicable, shall be paid via an applicable U.S. payroll system, and the Purchaser shall cooperate with the making of any such payment though such payroll system.

8. INDEPENDENT FIRM

8.1 Where either the Vendor or the Purchaser is entitled to refer, under Clause 5.5 or 7.7, any Completion Accounts Disputed Matters or any Milestone Disputed Matters, as the case may be (the "**Relevant Disputed Matters**"), to an Independent Firm, the Vendor or the Purchaser may refer such Relevant Disputed Matters to an independent firm of chartered accountants as may be agreed between the Purchaser and the Vendor or, in default of such agreement within 10 Business Days following the expiry of the Completion Accounts Dispute Resolution Period or Milestone Dispute Resolution Period, as the case may be, as may (on the application of either the Purchaser or the Vendor) be nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales (the "**Independent Firm**").

8.2 Where a reference is made to an Independent Firm pursuant to Clause 5.5 or 7.7, the Purchaser and the Vendor (acting in good faith) shall use their respective reasonable endeavours to agree with the Independent Firm as soon as reasonably practicable following its acceptance of such reference the Independent Firm's detailed terms of reference and the procedures which are to apply in relation to the hearing, consideration and determination by the Independent Firm of the Relevant Disputed Matters. The following general terms of reference and procedures shall apply in any event:

(a) the Independent Firm shall be instructed to make a determination only in relation to:

(i) in the case of a reference pursuant to Clause 5.5, the Completion Accounts Disputed Matters specified in the Completion Accounts Dispute Notice and to make such determination in accordance with the accounting principles, practices, policies and procedures set out in Part 1 of Schedule 10; and

(ii) in the case of a reference pursuant to Clause 7.7, the Milestone Disputed Matters specified in the Milestone Dispute Notice and to make such determination in accordance with the accounting principles, practices, policies and procedures set out in Part 1 of Schedule 12;

(b) the Vendor and the Purchaser shall each prepare a written submission to the Independent Firm on the Relevant Disputed Matters and shall deliver copies of their respective submissions to the Independent Firm and to each other within 20 Business Days following the acceptance by the Independent Firm of the reference to it;

(c) following delivery of their respective submissions pursuant to paragraph (b), the Vendor and the Purchaser shall each have the opportunity to comment once only on the other party's submission. Any such comments shall be in writing and shall be delivered to the Independent Firm and copied to the other party not later than 10 Business Days following the expiry of the 20 Business Day period referred to in paragraph (b);

(d) any information provided by either the Vendor or the Purchaser in response to a subsequent request or enquiry by the Independent Firm shall be copied to the other party at the same time as it is delivered to the Independent Firm and, unless otherwise directed by the Independent Firm, such other party shall have the opportunity to comment once only on that information. Any such comments shall be in writing and shall be delivered to the Independent Firm and copied to the party who provided the information not later than 10 Business Days after receipt of such information by the commenting party. Thereafter, neither the Purchaser nor the Vendor shall be entitled to make further statements or submissions except insofar as the Independent Firm so requests (in which case it shall, on each occasion, give the other party 10 Business Days to comment on any statement or submission so made);

(e) in addition to the procedures set out above, the Independent Firm may, in its reasonable discretion, stipulate other procedures which are to apply in relation to the hearing, consideration and determination by it of the Relevant Disputed Matters (which may include inviting the Vendor and the Purchaser to make oral submissions).

(f) the Independent Firm shall be requested to make its determination in writing in relation to the Relevant Disputed Matters and to notify the same to the Purchaser and the Vendor within 90 Business Days after its acceptance of the reference to it (or such longer period as the Independent Firm may reasonably determine). In making its determination, the Independent Firm shall state:

(i) in the case of a reference pursuant to Clause 5.5, what adjustments (if any) are necessary to the Draft Completion Accounts, the Draft WC Statement

and the Draft Net Debt Statement to determine finally the Working Capital Value and the Net Debt; and

(ii) in the case of a reference pursuant to Clause 7.7, what adjustments (if any) are necessary to the relevant Milestone Statement;

(g) in making its determination, the Independent Firm shall act as an expert and not as an arbitrator and the determination of the Independent Firm shall, in the absence of fraud or manifest error, be final and binding on the Purchaser and the Vendor;

(h) following the notification of the Independent Firm's determination to the Purchaser and the Vendor, the Draft Completion Accounts, the Draft WC Statement and the Draft Net Debt Statement or the Milestone Statement, as the case may be, shall be amended as necessary to reflect the decision of the Independent Firm in relation to the Completion Accounts Disputed Matters or the Milestone Disputed Matters, as the case may be and, as so amended, shall be final and binding on the Vendor and the Purchaser;

(i) the fees and expenses of the Independent Firm shall be borne by the Purchaser and the Vendor in the proportions it directs or, in the absence of any such direction, equally between the Purchaser on the one hand and the Vendor on the other; and

(j) the Purchaser and the Vendor shall provide or (so far as lies within their respective power) procure others to provide to the Independent Firm all such information and documentation as the Independent Firm shall reasonably require to assist it in reaching its determination.

9. SET-OFF

9.1 If the Purchaser makes a claim against the Vendor under the Warranties, the Tax Warranties and/or the Tax Covenant or otherwise under this Agreement (a **"Set-off Claim"**), then, at the sole option of the Purchaser and without prejudice to any other remedy available to it (but subject to the limitations of liability set out in Schedule 6), the following provisions of this Clause 9 shall apply.

9.2 If a Set-off Claim has been Settled in favour of the Purchaser but, as at the date on which the Milestone Payment falls due for payment, remains unpaid by the Vendor, the Purchaser shall be entitled to set-off all or part of the amount of the Settled Set-off Claim against the Milestone Payment payable to the Vendor. The Purchaser may not make any set-off under this Clause 9.2 in respect of a Set-off Claim if and to the extent that any Right of Recovery (as defined in Schedule 6) is available under the W&I Policy or the Tail Policy.

9.3 A Set-off Claim shall be regarded as ″**Settled**″ for the purposes of this Clause 9 if either:

(a) the Vendor and the Purchaser shall so agree in writing; or

(b) a court of competent jurisdiction has awarded judgment in respect of the Set-off Claim and no right of appeal lies in respect of such judgment or the parties are debarred whether by passage of time or otherwise from exercising any such right of appeal; or

(c) the Purchaser has withdrawn it by notice in writing to the Vendor,

and the term "**Settlement**" shall be construed accordingly, and "**Settled in Full**" means, in relation to a Set-off Claim, Settled in respect of damages, interest and costs in circumstances where no other part of the Set-off Claim has not been so Settled. For the purposes of this Clause, a Set-off Claim is to be regarded as Settled whether or not it is "Settled in Full", and accordingly may be Settled more than once.

9.4 If a Set-off Claim has not been Settled in Full as at the date on which the Milestone Payment falls due for payment (an **"Outstanding Claim"**), then subject to the Purchaser delivering to the Vendor a copy of a satisfactory Counsel's opinion the Purchaser shall, subject to Clause 9.5 be entitled to withhold from the Milestone Payment an amount up to the Estimated Liability (as defined in Clause 9.6(d)) (the **"Retained Amount"**).

9.5 A Set-off Claim for which the Vendor has no liability as a result of paragraph 1.2 of Schedule 6 shall be deemed to have lapsed for the purposes of this Clause 9 on the day following the last day on which legal proceedings in relation to that Set-off Claim could have been validly served in accordance with that paragraph.

9.6 A Counsel's opinion shall be regarded as satisfactory for the purposes of Clause 9.4 if:

(a) the opinion is provided by a Queen's Counsel of at least five years' standing and with a reasonable level of experience with respect to the subject matter of the claim;

(b) the opinion is in writing;

(c) the opinion states that in the opinion of Counsel, on the balance of probabilities, the Outstanding Claim will succeed; and

(d) the opinion contains Counsel's estimate of the maximum amount for which the Vendors are likely to be liable pursuant to the Outstanding Claim (the **"Estimated Liability"**).

9.7 The Purchaser shall have the sole right, but after reasonable consultation with the Vendor, to select the Queen's Counsel to be instructed for the purposes of Clause 9.4. The Queen's Counsel shall be instructed by solicitors acting for the Purchaser who shall supply a copy of the instructions to the Vendor.

9.8 Where the Purchaser is holding a Retained Amount in respect of an Outstanding Claim, the following provisions shall apply upon the Outstanding Claim being Settled:

(a) where the Outstanding Claim is Settled in favour of the Purchaser, the amount due in respect of the claim shall be set off by the Purchaser against the Retained Amount and, if the Retained Amount exceeds the amount at which the claim is Settled, the excess shall be paid to the Vendor; and

(b) where the Outstanding Claim is Settled in favour of the Vendor, the Retained Amount shall be paid to the Vendor,

provided always that, if at the time the Outstanding Claim is Settled, there remain one or more other Outstanding Claims which have not been Settled in Full and in respect of which a satisfactory Counsel's opinion has been delivered to the Vendor in accordance with Clause 9.4, the Purchaser shall be entitled to continue to hold the Retained Amount or, if lower, an amount equal to the aggregate Estimated Liability in respect of such Outstanding Claims.

9.9 The set-off by the Purchaser of any amount due in respect of any Set-off Claim against any amount payable to the Vendor pursuant to Clause 6 and Clause 7 shall not restrict the rights of the Purchaser to recover any further sum due to it in respect of that or any other Set-off Claim not satisfied by such set-off.

9.10 Any set-off shall be treated as a reduction to the consideration paid for the Shares.

10. ESCROW

Following the payment of the Escrow Amount into the Escrow Account (in accordance with Part 2 of Schedule 4), the Escrow Amount shall be dealt with in accordance with the provisions of Schedule 9.

11. WARRANTIES

11.1 The Vendor warrants to the Purchaser that each statement set out in Schedule 5 and Part 3 of Schedule 8 is true and accurate and not misleading at the date of this Agreement.

11.2 Each Warranty and Tax Warranty shall be separate and independent and, except as otherwise expressly provided in this Agreement, shall not be limited by reference to any other Warranty or Tax Warranty or any other provision of this Agreement.

11.3 Where any Warranty or Tax Warranty is qualified by reference to the Vendor's knowledge, information and belief or in any other similar manner:

(a) the Vendor shall be treated as having knowledge of all matters which are within the knowledge of each director or officer of the Vendor;

(b) the knowledge of the Vendor shall be deemed to include the knowledge it would have after making all due and careful enquiries including enquiry of:

(i) each director and officer of each Acquired Group Company; and

(ii) Morten Vestergaard and Ieva Ankorina-Stark.

11.4 The Warranties and the Tax Warranties are subject to the matters which are Disclosed.

11.5 Subject to Clause 11.6, no fact, matter or circumstance:

(a) of which the Purchaser or any of its directors, officers, employees, agents or advisers has knowledge (whether actual, constructive or imputed); or

(b) which could have been discovered (whether by any investigation made by or on behalf of the Purchaser into the affairs of the Company, the Acquired Group or otherwise) prior to the signing of this Agreement,

shall prejudice or prevent any Claim or reduce the amount recoverable under any Claim.

11.6 The Vendor shall not be liable in respect of any Warranty Claim to the extent that the matter giving rise to such claim was within the actual knowledge of the Purchaser Key Personnel or was Disclosed.

11.7 Save in the case of fraud, the Vendor agrees to waive any rights, remedies or claims which the Vendor may have against any Acquired Group Company or any director, officer, employee or agent of any Acquired Group Company in respect of any misrepresentation, inaccuracy or omission in or from any information or advice supplied or given by any such person on which the Vendor may have relied or which the Vendor may have taken into account in agreeing to give any Warranty or Tax Warranty in preparing the Disclosure Letter or in agreeing to any term of this Agreement.

11.8 The only warranties given in respect of Tax are the Tax Warranties and the Warranties shall be deemed not to be given in respect of Tax.

12. LIMITATION OF VENDOR'S LIABILITY

12.1 The provisions of Schedule 6 shall apply for the purpose of limiting the liability of the Vendor in respect of Warranty Claims and Tax Warranty Claims.

12.2 None of the limitations contained in Schedule 6 or elsewhere in this Agreement shall apply to exclude or limit the liability of the Vendor in respect of any Claim which arises or is increased or which is delayed as a result of fraud or wilful non-disclosure by the Vendor.

13. INDEMNITIES

13.1 Subject to Clause 13.2, the Vendor shall at all times after Completion indemnify and keep the Purchaser fully indemnified against all claims, demands, actions and proceedings, and

shall pay to the Purchaser a sum equal to all damages, losses, costs, expenses and liabilities (including any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses), in each case, suffered or incurred by the Purchaser or any member of the Purchaser's Group under or in connection with:

(a) any guarantee or indemnity given by any Acquired Group Company on or before Completion in respect of the obligations of any other person (except another Acquired Group Company) provided that this Clause 13 will not apply to any guarantee or indemnity which is disclosed in the Disclosure Letter with express reference to this Clause;

(b) any actual or alleged breach of any Competition Law arising on or before Completion under the distribution and agency agreements outlined at Schedule 11 relating to any resale price maintenance, exclusivity and non-compete obligations;

(c) any failure of any Acquired Group Company to obtain or maintain any Permit required by a state within the United States for the sale or distribution of any Product in such state on or before Completion;

(d) any actual or alleged employee misclassification (*Scheinselbstständigkeit*), insufficient granting of statutory employee rights (*gesetzliche Arbeitnehmerrechte*), incorrect Taxation, or breach of temporary agency work regulations (*Arbeitnehmerüberlassungsgesetz*), each in relation to consultancy services in Germany for the benefit of Contura Deutschland GmbH provided up until the Completion Date by Ton P. Alblas or by Almedex GmbH; and

(e) any actual or alleged breach of applicable law in relation to discounting and rebate practices in selling the Bulkamid Product and communications with the U.S. Center for Medicare & Medicaid Services (CMS) related to reimbursement for the Bulkamid Product in each case on or before Completion.

13.2 The Vendor shall:

(a) at all times after Completion assume responsibility for and pay, satisfy or perform the Carve-Out Liabilities; and

(b) indemnify and keep indemnified the Purchaser against the Carve-Out Liabilities and against any damages, losses, costs, expenses and liabilities which the Purchaser or any member of the Purchaser's Group may suffer by reason of the Vendor taking any action to avoid, resist or defend against any of the Carve-Out Liabilities.

13.3 Paragraphs 1, 3 and (as specified therein) 5 of Schedule 6 shall apply in respect of any Specific Indemnity Claim.

14. VENDOR COVENANTS

14.1 The Vendor undertakes to the Purchaser and each Acquired Group Company (and for this purpose the Purchaser is acting as agent of each Acquired Group Company) that it shall not and shall procure that each member of the Vendor's Group shall not (whether alone or in conjunction with or on behalf of or through another person and whether directly or indirectly as a shareholder, partner, consultant, agent or principal or in any other capacity) without the prior written consent of the Purchaser:

(a) at any time during the period of [***] years after the Completion Date, be, directly or indirectly, engaged, concerned or interested in any Competing Business;

(b) at any time during the period of [***] years after the Completion Date, employ or engage or seek to solicit or entice away from the employment or engagement of any Acquired Group Company any Relevant Acquired Group Employee;

(c) at any time during the period of [***] years after the Completion Date, deal or contract or canvass or solicit or seek to canvass or solicit any Relevant Customer in order to supply or offer to supply to them Relevant Products or Services;

(d) at any time during the period of [***] years after the Completion Date, interfere or seek to interfere with the continuance of supplies to any Acquired Group Company (or the terms of such supplies) from any supplier who has been supplying goods, materials or services to any Acquired Group Company at any time during the 12 months prior to the Completion Date, if such interference causes or would cause that supplier to cease supplying or materially reduce its supply of those goods and services; and

(e) at any time after the Completion Date, represent itself or permit itself to be held out as being in any way connected with or interested in any Acquired Group Company.

14.2 Nothing in paragraph (a) of Clause 14.1 shall prevent any member of the Vendor's Group from:

(a) holding, for investment purposes only, shares in a company which are listed on any recognised stock exchange provided that the shares held by it represent no more than 3 per cent of the issued share capital of the relevant company; or

(b) complying with its obligations under the Intellectual Property Assignment Agreement, the Cross-Licence Agreement, the Know-how Licence Agreement and/or the Exclusive Manufacturing and Supply Agreement (including, for the avoidance of doubt, in selling Regurin during the period of six months following Completion); or

(c) selling any Cystistat stock transferred by the Acquired Group to the Vendor Group under the Asset Transfer Agreement.

14.3 Each of the restrictions set out in Clause 14.1 is separate and severable and enforceable accordingly. For the avoidance of doubt the provisions of Clause 36 apply to the restrictions and undertakings set out herein.

14.4 The Vendor acknowledges and agrees that the duration, extent and application of the restrictions in paragraphs (a), (b), (c), (d) and (e) of Clause 14.1 are no greater than is reasonable and necessary for the protection of the interests of the Purchaser.

15. PURCHASER COVENANTS

15.1 The Purchaser undertakes to the Vendor and each member of the Vendor's Group (and for this purpose the Vendor is acting as agent of each member of the Vendor's Group) that it shall not (whether alone or in conjunction with or on behalf of or through another person and whether directly or indirectly as a shareholder, partner, consultant, agent or principal or in any other capacity) without the prior written consent of the Vendor at any time during the period of three years after the Completion Date, employ or engage or seek to solicit or entice away from the employment or engagement of any member of the Vendor's Group any Relevant Vendor's Group Employee.

15.2 For the avoidance of doubt the provisions of Clause 36 apply to the restrictions and undertakings set out in Clause 15.1.

15.3 The Vendor acknowledges and agrees that the duration, extent and application of the restriction in Clause 15.1 are no greater than is reasonable and necessary for the protection of the interests of the Vendor.

16. TAX

16.1 The Tax Covenant shall come into effect on Completion.

16.2 Subject to Clause 16.5 below, all sums payable under this Agreement shall be paid free and clear of all deductions or withholdings whatsoever unless the deduction or withholding is required by law. If any deductions or withholdings are required from any of the sums payable under this Agreement, the payer shall pay to the payee such sum as will, after the deduction or withholding has been made, leave the payee with the same amount as it would have been entitled to receive in the absence of any such requirement to make a deduction or withholding. If and to the extent that any deduction or withholding results in a payee obtaining a Relief, the payee shall pay to the payer, within three Business Days of obtaining the Relief, an amount equal to the lesser of the value of the Relief obtained and the additional sum paid under this Clause 16.2.

16.3 Subject to Clause 16.5 below, if the Purchaser incurs a Taxation liability which results from, or is calculated by reference to, any sum paid under this Agreement, the amount so payable shall be increased by such amount (after taking into account Taxation payable in respect of the amount) as will ensure that, after payment of the Taxation liability, the Purchaser is left with a net sum equal to the sum it would have received had no such Taxation liability arisen. If and to the extent that such payment should not have been subject to Taxation, the Purchaser shall pay to the Vendor within three Business Days of obtaining any refund or credit, an amount equal to the lesser of the value of the refund or credit obtained and the additional sum paid under this Clause 16.3.

16.4 If the Purchaser would, but for the use of a Purchaser's Relief (as defined in Part 1 of Schedule 8), incur a Taxation liability falling within Clause 16.3, it shall be deemed for the purposes of that Clause to have incurred and paid that liability.

16.5 If the Purchaser assigns the benefit of this Agreement in whole or in part to any party, or if the Purchaser is or becomes not tax resident in the United Kingdom, or is or becomes tax resident elsewhere, or if there is a change in law after Completion, Clauses 16.2, 16.3 and 16.4 shall only apply to a payment to the Purchaser to the extent that they would have applied had the benefit not been so assigned, had the Purchaser been and remained tax resident in the United Kingdom, or had there been no change in law.

16.6 Notwithstanding the foregoing, the provisions of Clauses 16.2 and 16.3 shall not apply to any payment: (i) which is a payment of late payment interest; or (ii) to the extent that the withholding, deduction or Tax in question has already been taken into account in calculating the quantum of the payment.

16.7 Nothing in this Agreement shall prohibit the Purchaser (or a member of the Purchaser's Group) in its sole discretion from making an election under section 338(g) of the Internal Revenue Code of 1986, as amended, ("**Section 338(g) Election**"), with respect to the Company or any non-U.S. Subsidiary of the Company.

17. W&I POLICY AND TAIL POLICY

17.1 The Purchaser warrants to the Vendor that:

(a) it has disclosed an accurate copy of the subrogation provisions in the W&I Policy to the Vendor in an email from the Purchaser's Solicitors to the Vendor's Solicitors at 11:33am on 22 February 2021; and

(b) the W&I Policy contains a clause that the W&I Insurer has irrevocably waived all rights of subrogation against the Vendor (other than in the case of fraud or fraudulent misrepresentation) and the Purchaser undertakes not to amend the W&I Policy (or permit the W&I Policy to be amended) in relation to such waiver of subrogation rights without the prior written consent of the Vendor.

17.2 The Purchaser shall:

(a) procure that the Company shall not at any time after Completion:

(i) terminate, or give notice to terminate, the Tail Policy;

(ii) take any act that renders, or would be likely to render, the Tail Policy void, voidable or unenforceable; and

(b) use all reasonable endeavours to procure that the Company shall not at any time after Completion breach any of the terms, conditions or warranties of the Tail Policy that entitles the Tail Policy insurer to decline to pay all or any part of any claim by the Acquired Group Companies under, or to terminate, the Tail Policy.

17.3 Nothing in Clause 17.2 will prejudice, prevent or delay or be a condition precedent to the Purchaser making a Claim against the Vendor.

18. CONFIDENTIALITY

18.1 Subject to Clause 18.2:

(a) the Vendor undertakes to the Purchaser, each Acquired Group Company and each member of the Purchaser's Group that it shall (and shall procure that each other member of the Vendor's Group shall) treat as strictly confidential and not disclose or use any information which relates to:

(i) the existence, terms or subject matter of, or the negotiations relating to, this Agreement (or any agreement entered into pursuant to this Agreement); or

(ii) the business, operations, assets, liabilities or financial or other affairs (including future plans and targets) of any Acquired Group Company; or

(iii) the business, operations, assets, liabilities or financial or other affairs (including future plans and targets) of the Purchaser or any other member of the Purchaser's Group; and

(b) the Purchaser undertakes to the Vendor and each member of the Vendor's Group that it shall (and that it shall procure that each other member of the Purchaser's Group shall) treat as strictly confidential and not disclose or use any information which relates to:

(i) the existence, terms or subject matter of, or the negotiations relating to, this Agreement (or any agreement entered into pursuant to this Agreement); or

(ii) the business, operations, assets, liabilities or financial or other affairs (including future plans and targets) of the Vendor or any other member of the Vendor's Group.

18.2 Clause 18.1 shall not prohibit the disclosure or use of any information if and to the extent:

(a) the disclosure or use is made in compliance with a requirement imposed by law or by any securities exchange or regulatory or governmental body but, in such circumstances, the Vendor (where it or a member of the Vendor's Group is subject to the requirement) or the Purchaser (where it or a member of the Purchaser's Group is subject to the requirement) shall, prior to disclosure or use of any information, promptly give notice of the requirement to the other and consult with the other with a view to agreeing the form, content and timing of such disclosure or use; or

(b) the disclosure or use is required for the purpose of any judicial proceedings arising out of this Agreement (or any agreement entered into pursuant to this Agreement); or

(c) the disclosure is made to a Tax Authority and is reasonably required in connection with the Tax affairs of the Vendor or another member of the Vendor's Group or (as the case may be) the Purchaser or another member of the Purchaser's Group; or

(d) the disclosure is made by the Vendor or another member of the Vendor's Group to its professional advisers but, in such circumstances, the Vendor shall procure that each such person to whom information is disclosed complies with the terms of Clause 18.1 in respect of such information as if he were himself a party to this Agreement and subject to the same obligations as the Vendor; or

(e) the disclosure is made by the Vendor or another member of the Vendor's Group to any person to whom the right to receive any part of the Milestone Payment is assigned in accordance with Schedule 14 but, in such circumstances, the Vendor shall procure that each such person to whom information is disclosed complies with the terms of Clause 18.1 in respect of such information as if he were himself a party to this Agreement and subject to the same obligations as the Vendor; or

(f) the disclosure is made by the Purchaser or another member of the Purchaser's Group to its professional advisers or actual or potential financiers but, in such circumstances, the Purchaser shall procure that each such person to whom information is disclosed complies with the terms of Clause 18.1 in respect of such information as if he were himself a party to this Agreement and subject to the same obligations as the Purchaser; or

(g) the information is or has become publicly available (other than as a result of a breach of this Agreement); or

(h) the information is disclosed or used with the prior written approval of both the Purchaser and the Vendor.

19. ANNOUNCEMENTS

19.1 Subject to Clause 19.2:

(a) the Vendor shall not, and shall procure that no other member of the Vendor's Group shall; and

(b) the Purchaser shall not, and shall procure that no other member of the Purchaser's Group shall,

make or issue any announcement or circular concerning the existence, terms or subject matter of this Agreement.

19.2 Clause 19.1 shall not apply to any announcement or circular which is made or issued:

(a) with the prior written approval of both the Vendor and the Purchaser; or

(b) in compliance with a requirement imposed by law or by any securities exchange or regulatory or governmental body but, in such circumstances, the Vendor (where it or a member of the Vendor's Group is subject to the requirement) or the Purchaser (where it or a member of the Purchaser's Group is subject to the requirement) shall, prior to the making or issue of the announcement or circular, promptly give notice of the requirement to the other and consult with the other with a view to agreeing the form, content and timing of such announcement or circular; or

(c) by the Vendor or any member of the Vendor’s Group after Completion to employees of the Vendor's Group informing them of the Purchaser’s acquisition of the Shares;

(d) by the Purchaser or any member of the Purchaser's Group after Completion to employees, customers, clients or suppliers of any Acquired Group Company or to any other persons having a commercial relationship with any Acquired Group Company informing them of the Purchaser's acquisition of the Shares; or

(e) after Completion containing only information which is or has become publicly available (other than as a result of a breach of this Agreement).

20. CHANGES OF NAME

20.1 The Purchaser shall procure that:

(a) as soon as reasonably practicable and in any event within one month of Completion, all steps are taken which are necessary to effect the name of any Acquired Group Company that consists of or includes the words "Contura" is changed to a name which does not include that word or any name (including any translation or transliteration) which, in the reasonable opinion of the Vendor, is substantially the same or confusingly similar or likely to be associated with that word, are taken; and

(b) save to the extent permitted under the Intellectual Property Assignment Agreement, the Cross-Licence Agreement, the Know-how Licence Agreement and/or the Exclusive Manufacturing and Supply Agreement and/or required for compliance with any applicable laws and regulations, as soon as reasonably practicable and in any event within six months of Completion (or such longer period as the Vendor may agree), the Acquired Group Companies shall cease to use or display any trade or service name or mark, business name, logo, design, device or domain name that is held by any member of the Vendor's Group (including the "Contura" names and any associated logos or devices), or any mark, name, logo, device or design (including any translation or transliteration) which, in the reasonable opinion of the Vendor, is substantially the same or confusingly similar to, or likely to be associated with, any of them.

21. INFORMATION, RECORDS AND ASSISTANCE POST-CLOSING

21.1 For seven years following the Completion Date, the Vendor shall procure that each member of the Vendor's Group shall provide the Purchaser with reasonable access at reasonable times and subject to prior written notice to (and the right to take copies of) the books, accounts, historical financial records, customer or client lists and all other records held by it after Completion to the extent that they relate to the Acquired Group Companies.

21.2 Following the Completion Date, the Vendor shall procure that each member of the Vendor's Group promptly gives to the Purchaser all written notices, correspondence, information or enquiries received by them in relation to the Acquired Group Companies.

21.3 For seven years following the Completion Date, the Purchaser shall procure that each member of the Purchaser's Group shall provide the Vendor with reasonable access at reasonable times and subject to prior written notice to (and the right to take copies of) the books, accounts, historical financial records, customer or client lists and all other records held by it after Completion to the extent that they relate to any assets or undertakings transferred by any Acquired Group Company to the Vendor's Group pursuant to the Pre-Completion Reorganisation.

21.4 Following the Completion Date, the Purchaser shall procure that each member of the Purchaser's Group promptly gives to the Vendor all written notices, correspondence, information or enquiries received by them in relation to any assets or undertakings transferred by any Acquired Group Company to the Vendor's Group pursuant to the Pre-Completion Reorganisation.

21.5 The Vendor undertakes to procure that Contura International A/S sends a signed letter to the FDA notifying the FDA of the transfer of ownership of PMA P1700223 from Contura International A/S to the Company within three Business Days of Completion.

22. SURVIVAL OF OBLIGATIONS

The Warranties, the Tax Warranties and all covenants, undertakings and other obligations set out in this Agreement (except for any obligation which is fully performed at Completion) shall continue in full force and effect after Completion.

23. FURTHER ASSURANCE

Promptly upon being requested to do so by the Purchaser at any time during the period of 24 months after the date of this Agreement, the Vendor shall, and shall procure that any member of the Vendor's Group shall, execute such documents and do and perform such acts and things as the Purchaser may reasonably require for the purpose of transferring legal and beneficial title to the Shares to the Purchaser free from Encumbrances and giving to the Purchaser the full benefit of this Agreement.

24. CONSIDERATION SHARES

24.1 At Completion, the Purchaser shall issue the Consideration Shares in the name of the Vendor and deliver evidence of such issuance. Within 20 (twenty) Business Days of Completion, the Vendor shall give one or more sets of written instructions to the Purchaser with respect to the names of not more than 10 (ten) natural persons or entities to whom the Vendor shall transfer, either directly or through subsequent transfers, all of the Consideration Shares. The instructions will contain details of the number of Consideration Shares to be transferred, the name of the transferor and the name of the transferee. In addition, each of the transferees will execute and deliver such documents to allow counsel for the Purchaser to provide an opinion to the Transfer Agent for the transfers of the Consideration Shares to the transferees identified in the instruction letters.

24.2 Promptly (but in no event more than five (5) Business Days) after receipt by the Purchaser of the information set forth in Clause 24.1, the Purchaser shall cause the Transfer Agent to take all actions necessary to register, in the official stock register maintained by the Transfer Agent, the ownership of the relevant Consideration Shares to the relevant transferees as set out in the instructions.

24.3 The Guarantor warrants to the Vendor that:

(a) the Guarantor is duly organized, validly existing, and in good standing under the laws of the State of Delaware, U.S.A.;

(b) the Guarantor has all necessary organizational power and authority to enter into this Agreement, and each other Transaction Document to which it is a party, to

carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby. The execution and delivery by the Guarantor of this Agreement and each other Transaction Document to which it is a party, the performance by the Guarantor of its obligations hereunder and thereunder, and the consummation by the Guarantor of the transactions contemplated hereby and thereby have been duly authorized by all requisite organizational action on the part of the Guarantor. This Agreement and each other Transaction Document to which it is a party has been duly executed and delivered by the Guarantor, and (assuming due authorization, execution and delivery by the other parties hereto) constitutes a legal, valid, and binding obligation of the Guarantor enforceable against the Guarantor in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity);

(c) the execution, delivery, and performance by the Guarantor of this Agreement and each other Transaction Document to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) result in a violation or breach of any provision of the organization documents of the Guarantor; (b) result in a violation or breach of any provision of any law or order of a Governmental Entity applicable to the Guarantor; or (c) require the consent, notice, or other action by any person under, conflict with, result in a violation or breach of, constitute a default under or result in the acceleration of any agreement to which the Guarantor is a party, except in the cases of clauses (b) and (c), where the violation, breach, conflict, default, acceleration, or failure to give notice would not have a material adverse effect on the Guarantor's ability to consummate the transactions contemplated hereby. No consent, approval, Permit, order of a Governmental Entity, declaration or filing with, or notice to, any Governmental Entity is required by or with respect to the Guarantor in connection with the execution and delivery of this Agreement and each other Transaction Document to which it is a party and the consummation of the transactions contemplated hereby and thereby, except such consents, approvals, Permits, orders of any Governmental Entity, declarations, filings, or notices which would not have a material adverse effect on the Guarantor's ability to consummate the transactions contemplated hereby and thereby; and

(d) the Consideration Shares are duly authorised and, when issued and paid for in accordance with this Agreement will be duly and validly issued, fully paid and nonassessable, free and clear of all Encumbrances, other than transfer restrictions under applicable securities laws.

24.4 The Vendor warrants to the Guarantor that it is an “accredited investor” as set forth in the Securities Act.

25. REGISTRATION OF CONSIDERATION SHARES

25.1 The Guarantor shall use commercially reasonable efforts to prepare and file as promptly as reasonably practicable (but in any event not more than twenty (20) Business Days after the

Completion Date) with the SEC a prospectus supplement (the "**Prospectus Supplement**") under its Registration Statement on Form S-3 (333-238064) (the "**Registration Statement**") providing for the registration and resale, on a continuous or delayed basis pursuant to Rule 415 under the Securities Act, of the Consideration Shares held by each of the Holders (or which will be held by any of the Holders upon completion of the transfers contemplated by Clause 24.1), each of which Holders shall be identified therein along with the number of Consideration Shares held by such Holder and deemed registered thereunder. The Guarantor shall use commercially reasonable efforts to keep the Registration Statement continuously effective under the Securities Act until the earlier of (i) the date on which all of the Consideration Shares covered by such Registration Statement have been sold and (ii) the date on which the Consideration Shares become eligible for resale without restriction and without the need for current public information pursuant to any section of Rule 144 (or any similar provision then in effect) under the Securities Act (such period, the "**Effectiveness Period**"). During the Effectiveness Period, the Guarantor will file any supplements to the Prospectus Supplements required to be filed by applicable law in order to incorporate into the Prospectus Supplements any information necessary so that (x) the Registration Statement shall not include any untrue statement of material fact or omit to state any material fact necessary in order to make the statements therein not misleading, (y) the Guarantor complies with its obligations under Item 512(a)(1) of Regulation S-K, and (z) the Consideration Shares held by any Holder not named in the Prospectus Supplement that would have otherwise been included therein pursuant to the first sentence of this Clause 25.1 and Clause 24.1, shall become included therein or otherwise become registered under the Registration Statement. "**Holders**" shall mean the Vendor and any person to whom the Vendor will transfer or has transferred, directly or indirectly, Consideration Shares in accordance with Clause 24.1 hereof and who are named in Part 1 of Schedule 14 hereto.

25.2 Notwithstanding anything to the contrary contained in this Agreement, the Guarantor may, upon written notice to any Holder named in the Prospectus Supplement, suspend the use of the Prospectus Supplement (in which event the Holders named therein shall discontinue sales of the Consideration Shares pursuant to the Registration Statement but may settle any previously made sales of Consideration Shares) if:

(a) the Guarantor determines that it would be required to make disclosure of material information in the Registration Statement that the Guarantor has a bona fide business purpose for preserving as confidential; or

(b) the Guarantor has experienced some other material non-public event the disclosure of which at such time, in the good faith judgment of the Guarantor, would adversely affect the Guarantor,

provided that (1) in no event shall the Holders be suspended from selling Consideration Shares pursuant to the Registration Statement for a period that exceeds an aggregate of 60 days in any 180-day period or 135 days in any 365-day period, (2) this right may not be exercised more than two times in any 365-day period and (3) this right may not be exercised unless sales under all other registration statements of the Guarantor filed with the SEC and effective under the Securities Act shall also be suspended. Upon disclosure of such information or the termination of the condition described above, the Guarantor shall provide prompt notice to the Holders, and shall promptly terminate any suspension of sales it has put

into effect and shall take such other reasonable actions to permit registered sales of Consideration Shares.

25.3 The Holders agree to furnish to the Guarantor not less than five Business Days prior to the date that the Prospectus Supplement will be filed, a completed questionnaire in the form to be provided by the Guarantor. The Guarantor shall have no obligation to include Consideration Shares held by a Holder who has failed to furnish such questionnaire, and any other information that the Guarantor determines, after consultation with its counsel, is reasonably required in order for the Prospectus Supplement to comply with the Securities Act.

25.4 The Guarantor shall immediately notify the Holders of:

(a) the happening of any event as a result of which the Prospectus Supplement includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances under which any such statement is made; or

(b) the issuance or express threat of issuance by the SEC of any stop order suspending the effectiveness of the Registration Statement, or the initiation of any proceedings for that purpose.

25.5 Following the provision of the notice contemplated by Clause 25.4, the Guarantor will as promptly as practicable:

(a) amend or supplement the Prospectus Supplement or take other appropriate action so that the Prospectus Supplement does not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing; and

(b) take such other commercially reasonable action as is necessary to remove a stop order, suspension, threat thereof or proceedings related thereto.

25.6 Upon receipt of notice pursuant to Clause 25.4, the Holders will forthwith discontinue offers and sales of the Consideration Shares by means of such Prospectus Supplement until:

(a) the Holders have received copies of the supplemented or amended Prospectus Supplement contemplated by Clause 25.5; or

(b) the Holders are advised in writing by the Guarantor that the use of the Prospectus Supplement may be resumed, and have received copies of any additional or supplemental filings incorporated by reference into the Prospectus Supplement.

25.7 The Guarantor shall, and it hereby agrees to, indemnify and hold harmless each Holder and its officers, directors, members, partners, stockholders, employees, legal counsel, accountants and agents, successors and assigns, and each other person, if any, who controls such Holder within the meaning of the Securities Act, against any losses, claims, damages or liabilities, joint or several, to which they may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon:

(a) any untrue statement or alleged untrue statement of any material fact contained in any Registration Statement, the Prospectus Supplement, or any amendment or supplement thereof, or any document incorporated by reference therein;

(b) any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading; or

(c) any violation or alleged violation by the Guarantor (or any of its agents or affiliates) of the Securities Act, the Exchange Act, any state securities or ″blue sky″ law, or any rule or regulation promulgated under the Securities Act, the Exchange Act or any state securities law,

and the Guarantor shall, and it hereby agrees to, reimburse, upon request and as incurred, each such Holder, and each such officer, director, member, partner, stockholder, employee, legal counsel, accountants, agents, successors and assigns and each such controlling person for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the Guarantor will not be liable in any such case if and to the extent that any such loss, claim, damage or liability arises out of or is based upon (i) a Holder's failure to comply with the prospectus delivery requirements of the Securities Act, (ii) the use by a Holder of an outdated or defective Prospectus Supplement after the Guarantor has notified such Holder in writing that the Prospectus Supplement is outdated or defective, or (iii) an untrue statement or alleged untrue statement or omission or alleged omission so made in conformity with information furnished by such Holder or any such controlling person in writing specifically for use in the Prospectus Supplement.

25.8 Each Holder agrees, severally but not jointly, to indemnify and hold harmless, to the fullest extent permitted by law, the Guarantor, its directors, officers, employees, stockholders and each person who controls the Guarantor (within the meaning of the Securities Act) against

any losses, claims, damages, liabilities and expense (including reasonable attorney fees) resulting from:

(a) the use by such Holder of an outdated or defective Prospectus Supplement after the Guarantor has notified such Holder in writing that the Prospectus Supplement is outdated or defective; or

(b) any untrue statement of a material fact or any omission of a material fact required to be stated in the Registration Statement or Prospectus Supplement or amendment or supplement thereto or necessary to make the statements therein not misleading, to the extent, but only to the extent that such untrue statement or omission is contained in any information furnished in writing by such Holder to the Guarantor specifically for inclusion in such Registration Statement or Prospectus Supplement or amendment or supplement thereto,

provided, however, that the obligation to indemnify set forth in this Clause 25.8 shall be individual, not joint and several, for each Holder and the liability of each Holder hereunder shall be limited to an amount equal to the dollar amount of the net proceeds received by such Holder from the sale of Consideration Shares pursuant to the Registration Statement or Prospectus Supplement.

25.9 Any person entitled to indemnification hereunder shall:

(a) give prompt notice to the indemnifying party of any claim with respect to which it seeks indemnification and;

(b) permit such indemnifying party to assume the defence of such claim with counsel reasonably satisfactory to the indemnified party,

provided that any person entitled to indemnification hereunder shall have the right to employ separate counsel and to participate in the defence of such claim, but the fees and expenses of such counsel shall be at the expense of such person unless:

(i) the indemnifying party has agreed to pay such fees or expenses; or

(ii) the indemnifying party shall have failed promptly to assume the defence of such claim and employ counsel reasonably satisfactory to such person; or

(iii) in the reasonable judgment of any such person, based upon written advice of its counsel, a conflict of interest exists between such person and the indemnifying party or any other indemnified party with respect to such claims (in which case, if the person notifies the indemnifying party in writing that such person elects to employ separate counsel at the expense of the indemnifying party, the indemnifying party shall not have the right to assume the defence of such claim on behalf of such person),

and provided, further, that the failure of any indemnified party to give notice as provided herein shall not relieve the indemnifying party of its obligations hereunder, except to the extent that such failure to give notice shall materially adversely affect the indemnifying party in the defence of any such claim or litigation. It is understood that the indemnifying party shall not, in connection with any proceeding in the same jurisdiction, be liable for fees or expenses of more than one separate firm of attorneys at any time for each indemnified party with respect to any claim. If the indemnifying party assumes such defence, the indemnified party shall have the right to participate in defence thereof and to employ counsel, at its own expense (except as provided in the first sentence of this Clause 25.9), separate from the counsel employed by the indemnifying party. If the indemnifying party chooses to defend any claim or litigation, the indemnified party shall cooperate in the defence or prosecution thereof. No indemnifying party will, except with the consent of the indemnified party, consent to entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect of such claim or litigation. Whether or not the indemnifying party shall have assumed the defence of a claim or litigation, the indemnified party shall not admit any liability with respect to, or settle, compromise or discharge, such claim or litigation without the indemnifying party's written consent (which shall not be unreasonably withheld or delayed).

25.10 Subject to the terms of this Agreement, all reasonable fees and expenses of an indemnified party (including reasonable fees and expenses to the extent incurred in connection with investigating or preparing to defend such proceeding in a manner not inconsistent with this Clause 25) shall be paid to the indemnified party, as incurred; provided, that the indemnified party shall promptly reimburse the indemnifying party for that portion of such fees and expenses applicable to such actions for which it is finally judicially determined (not subject to appeal) such indemnified party is not entitled to indemnification hereunder.

25.11 If for any reason the indemnification provided for in the preceding paragraphs of this Clause 25 is unavailable to an indemnified party or insufficient to hold it harmless, other than as expressly specified therein, then the indemnifying party shall contribute to the amount paid or payable by the indemnified party as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect the relative fault of the indemnified party, on the one hand, and the indemnifying party, on the other hand, with respect to the offering of securities. If, however, the allocation in the first sentence of this Clause 25.11 is not permitted by applicable law, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative faults, but also the relative benefits of the indemnifying party and the indemnified party, as well as any other relevant equitable considerations. The parties hereto agree that it would not be just and equitable if contributions pursuant to this Clause 25.11 were to be determined by pro rata allocation considerations or by any other method of allocation which does not take into account the equitable considerations referred to in the preceding sentence of this Clause 25.11. The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities referred to above shall be deemed to include any legal or other fees or expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action,

proceeding or claim. No person guilty of fraudulent misrepresentation within the meaning of Section 11(f) of the Securities Act shall be entitled to contribution from any person not guilty of such fraudulent misrepresentation. Notwithstanding the foregoing, no Holder shall be liable to contribute any amount in excess of the dollar amount equal to the sum of (i) the net proceeds received by such Holder from the sale of Consideration Shares sold by such Holder pursuant to the Prospectus Supplement, minus (ii) any amounts paid or payable by such Holder pursuant to Clause 25.8 above (except in the case of fraud or willful misconduct).

25.12 Each Holder shall bear all agent and brokerage fees and commissions (including any underwriting discounts and commissions) in connection with any registration of any of its Consideration Shares by the Guarantor. The Guarantor shall bear all other fees and expenses in connection with any registration statement, prospectus or prospectus supplement prepared, filed or caused to become effective pursuant to this Agreement, including all registration and filing fees, all printing costs and all fees and expenses of counsel and accountants for the Guarantor.

25.13 Notwithstanding anything in this Agreement to the contrary, the provisions of this Clause 25(i) shall survive the Completion, and (ii) are intended to be for the benefit of, and shall be enforceable by, each Holder, its successors or assigns, or, if such Holder is a natural person, his or her heirs and his or her or their trustees or administrators or persons acting in similar capacities. Unless required by law, this Clause 25 may not be amended, altered, or repealed after the Completion in such a manner as to adversely affect any of the rights of any Holder without the prior written consent of the affected Holder.

26. EXIT BONUS PAYMENTS

26.1 If an Exit Bonus Payment becomes payable by the Vendor to an Exit Bonus Participant then, provided that Exit Bonus Participant is at the relevant time an employee (for the purposes of taxes on income and social security contributions) of an Acquired Group Company:

(a) the Vendor agrees with the Purchaser that it shall within 10 Business Days of the Exit Bonus Payment becoming payable, pay to the Purchaser or at the Purchaser’s direction (i) the amount of the Exit Bonus Payment plus (ii) (if applicable) an amount equal to any secondary Class 1 (employers') National Insurance Contributions in respect of the United Kingdom or any equivalent amount payable elsewhere arising as a result of the Exit Bonus Payment and the Purchaser hereby directs the Vendor to pay such amounts to the Acquired Group Company that is the employer of the relevant Exit Bonus Participant;

(b) subject to receipt by the Purchaser, or pursuant to the direction above relevant Acquired Group Company of the payment due under Clause 26.1(a), the Purchaser shall procure that the relevant Acquired Group Company:

(i) makes a withholding for any liability of any member of the Acquired Group for any amount of Tax (including income tax and social security contributions, including primary Class 1 (employees) National Insurance Contributions but excluding any liability of any member of the Acquired Group to account for any secondary Class 1 (employers') National Insurance Contributions), whether of the United Kingdom or any equivalent amount payable elsewhere arising as a result of the Exit Bonus Payment, and shall pay such amount to the relevant Tax Authority (the "**Employee Tax Liability**");

(ii) accounts to the relevant Tax Authority for any secondary Class 1 (employers') National Insurance Contributions arising as a result of the Exit Bonus Payment; and

(iii) within 20 Business Days of receipt of the amounts specified in Clause 26.1(a) pays to the relevant Exit Bonus Participant the amount of the Exit Bonus Payment less the Employee Tax Liability.

26.2 The Vendor shall indemnify and keep the Purchaser fully indemnified against all claims, demands, actions and proceedings, and shall pay to the Purchaser a sum equal to all damages, losses, costs, expenses and liabilities, in each case, suffered or incurred by the Purchaser or any member of the Purchaser's Group under or in connection with any breach by the Vendor of Clause 26.1(a).

26.3 The Purchaser shall indemnify and keep the Vendor fully indemnified against all claims, demands, actions and proceedings, and shall pay to the Vendor a sum equal to all damages, losses, costs, expenses and liabilities, in each case, suffered or incurred by the Vendor or any member of the Vendor's Group under or in connection with any breach by the Purchaser of Clause 26.1(b).

26.4 Subject to Clause 26.5 below, the relevant Acquired Group Company incurs a Taxation liability which results from, or is calculated by reference to, any sum paid under this Clause 26, the amount so payable shall be increased by such amount (after taking into account Taxation payable in respect of the amount) as will ensure that, after payment of the Taxation liability, the Acquired Group Company is left with a net sum equal to the sum it would have received had no such Taxation liability arisen. If and to the extent that such payment should not have been subject to Taxation, the Acquired Group Company shall pay to the Vendor within three Business Days of obtaining any refund or credit, an amount equal to the lesser of the value of the refund or credit obtained and the additional sum paid under this Clause 26.4. This Clause 26.4 shall not apply in respect of any secondary Class 1 (employers') National Insurance Contributions in respect of the United Kingdom or any equivalent amount payable elsewhere arising as a result of the Exit Bonus Payment, which the Vendor has funded under Clause 26.1(a).

26.5 The provisions of Clauses 16.5 and 16.6 shall apply mutatis mutandis as if the references in those Clauses to Clauses 16.2, 16.3 and 16.4 were references to Clause 26.4.

27. COLLECTION DEBTS

27.1 The Purchaser shall collect the Collection Debts in accordance with the following provisions:

(a) the Purchaser shall after Completion take all such steps as are reasonable to collect the Collection Debts in the ordinary course of the business as conducted by the Vendor on Completion;

(b) the Purchaser shall be under no obligation to commence legal proceedings to collect the Collection Debts nor to apply its own funds in settlement of the Collection Debts; and

(c) the Purchaser shall not release, waive or compromise any of the Collection Debts or purport to do so or give time or indulgence for payment without the prior written agreement of the Vendor (not to be unreasonably withheld or delayed).

27.2 If any Collection Debt has not been collected in full on or before the date falling 150 days after it became due (that part of the Collection Debt that has not then been collected being a "**Bad Debt**") then the Vendor shall pay to the Purchaser in cash an amount equal to the Bad Debt, such payment to be made in accordance with Clause 39.

27.3 If the Vendor pays the Purchaser any amount under Clause 27.2 in respect of a Bad Debt and at any time thereafter the Purchaser (or any relevant member of the Purchaser's Group) receives or recovers a sum which is directly referable to such Bad Debt then the Purchaser will (or will procure that the relevant member of the Purchaser's Group will) repay to the Vendor such of the amount recovered which is directly referable to the Bad Debt.

28. DANSKE LOAN

28.1 The Vendor shall:

(a) within five Business Days following the Completion Date, repay all amounts owing to Danske Bank A/S under the facilities agreements dated 16 November 2018 and 1 May 2020 (the "**Facilities Agreements**"), the obligations under which are secured by:

(i) the floating charges registered on 28 November 2017 with serial number: 1009362618; and

(ii) the floating charge registered on 22 January 2018 with serial number 1009501227,

in Contura International A/S and Contura A/S (together, the "**Floating Charges**"); and

(b) following the making of the repayment to Danske Bank A/S referred to in paragraph (a) above:

(i) notify the Purchaser of the same, and provide the Purchaser with reasonable evidence that the payment has been made; and

(ii) use its best endeavours to obtain an acknowledgment from Danske Bank A/S that all amounts owing to Danske Bank A/S under the Facilities Agreements have been repaid in full, and the assets subject to the security created pursuant to the Floating Charges are irrevocably released.

29. R&D TAX ALLOWANCE

29.1 Subject to Clause 29.2, if any Acquired Group Company is required by any Tax Authority to repay any part of the SME R&D tax credit incentive received in cash by that Acquired Group Company for the tax year ended 5 April 2018 (including to the extent that such repayment is satisfied by use of any Purchaser's Relief (as defined in Schedule 8) (a "**R&D Repayment**")) then the Vendor shall pay an amount equal to the R&D Repayment to the relevant Acquired Group Company within ten Business Days of being requested to do so in writing by the Purchaser.

29.2 The Vendor shall not be obliged to make payment under Clause 29.1 if and to the extent that the R&D Repayment arises or is increased by a voluntary act of any member of the Purchaser's Group after Completion which the Purchaser was aware or ought reasonably to have been aware would or might give rise to the R&D Repayment, and for the purposes of this clause voluntary has the meaning given in paragraph 4.2 of Part 2 of Schedule 8.

29.3 For the avoidance of doubt, the Purchaser's Group shall not be entitled to recover under this Clause 29 and also under the Tax Covenant.

30. COSTS

30.1 Except as otherwise expressly provided in this Agreement, each party shall pay its own costs and expenses incurred in connection with the sale and purchase of the Shares and in connection with the negotiation, preparation, execution and carrying into effect of this Agreement and all other documents referred to in this Agreement. For the avoidance of doubt, the Vendor shall pay the full amount of the Acquired Group's Transaction Costs (if any) to the extent not included as a current liability in the Completion Accounts.

30.2 The Vendor confirms that no cost or expense of whatever nature relating to the sale and purchase of the Shares has been, or is to be, borne by any Acquired Group Company.

30.3 The Purchaser shall bear any stamp duty payable on the sale of the Shares.

31. GUARANTEE

31.1 The Guarantor guarantees to the Vendor the due and punctual performance and observance by the Purchaser of all present and future obligations and liabilities of the Purchaser under or in respect of this Agreement (the "**Guaranteed Obligations**").

31.2 If and whenever the Purchaser defaults for any reason whatsoever in the performance of any of the Guaranteed Obligations, the Guarantor shall forthwith upon demand unconditionally perform (or procure the performance of) and satisfy (or procure the satisfaction of) the Guaranteed Obligations in respect of which there has been default in the manner prescribed by this Agreement so that the same benefits shall be conferred on the Vendor as it would have received if the Guaranteed Obligations had been duly performed and satisfied by the Purchaser.

31.3 This guarantee is a continuing guarantee and is to remain in force until all the Guaranteed Obligations have been performed or satisfied. This guarantee is in addition to and without prejudice to and not in substitution for any rights or security which the Vendor may now or hereafter have or hold for the performance and observance of the Guaranteed Obligations.

31.4 The liability of the Guarantor under this Clause 31 shall be that of principal obligor and not merely as surety and shall not be released or diminished by any variation of the Guaranteed Obligations agreed by the Vendor with the Purchaser.

31.5 The obligations of the Guarantor under this Clause 31 shall not be affected in whole or in part by any act, omission, matter or thing (whether or not known to the Guarantor, the Vendor or the Purchaser) which, but for this Clause 31.5, might operate to reduce, release or prejudice the Guarantor's obligations, including:

(a) any variation of this Agreement;

(b) any neglect or delay in seeking the performance of any obligations under this Agreement;

(c) any time, waiver, forbearance or consent granted to, or composition or arrangement with, the Purchaser or other person;

(d) the release of the Purchaser or any other person under the terms of any composition or arrangement with any creditor of the Purchaser;

(e) any incapacity or lack of power, authority or legal personality of, or dissolution or change in the members or status of, the Purchaser or any other person;

(f) any unenforceability, invalidity or illegality of any obligation of the Purchaser; or

(g) any insolvency or similar proceedings.

31.6 On the approval or implementation of any Compromise, and without prejudice to the Vendor's right to recover under the guarantee and indemnity given pursuant to this Clause 31, the Guarantor shall as principal obligor be liable to the Vendor for, and agrees (as a separate and additional covenant) to pay to the Vendor on demand from time to time, amounts equal to the sums that would have been payable to the Vendor by the Purchaser (or any guarantor of the Purchaser) had such Compromise not occurred. Payment shall be made by the Guarantor to the Vendor under this Clause 31.6 in the amounts and at the times at which, but for the Compromise, the Purchaser would have been obliged to make payment to the Vendor. The Guarantor's liability under this Clause 31 shall not be affected in any way by the Vendor voting (if it chooses to do so) in favour of any Compromise proposed by or in respect of the Purchaser.

31.7 The Guarantor waives any right it has or may have as against the Purchaser, the existence or exercise of which might affect the right or ability of the Vendor to obtain the full benefit of the guarantee and indemnity given under this Clause 31 if a Compromise by, or in respect of, the Purchaser were to be proposed and approved.

31.8 References in this Clause 31 to "**Compromise**" shall mean any company voluntary arrangement in respect of the Purchaser (or any compromise or scheme of arrangement or any analogous procedure to any of the foregoing in any other jurisdiction) under which the Purchaser's obligations to the Vendor are or are to be compromised in any way.

32. ASSIGNMENT AND NOVATION

32.1 Except as otherwise expressly provided in Clause 32.2 or Schedule 14, no party may assign, grant any security interest over, hold on trust or otherwise transfer the benefit of the whole or any part of this Agreement or all or any of its rights or benefits arising under or out of this Agreement without the prior written consent of each other party.

32.2 The Purchaser may at any time, without the consent of the Vendor, assign, grant a security interest over, hold on trust or otherwise transfer the benefit of the whole or any part of this Agreement or all or any of its rights or benefits arising under or out of this Agreement to or for:

(a) a member of the Purchaser's Group (for the purposes of this paragraph (a) of Clause 32.2 the "**Assignee**") for so long as that Assignee remains a member of the Purchaser's Group. The Purchaser shall procure that any Assignee assigns any rights assigned to it in accordance with this paragraph (a) of Clause 32.2 back to the Purchaser or to such other member of the Purchaser's Group as the Purchaser may nominate immediately before the Assignee ceases to be a member of the Purchaser's Group; and

(b) any person providing any loan or other financial facility to the Purchaser or any other member of the Purchaser's Group.

32.3 The parties agree that Schedule 14 shall apply with effect from Completion.

32.4 If either the Vendor or the Purchaser assigns any of its rights as permitted under this Agreement, then the liability of the Purchaser (in the case of assignment by the Vendor) or the Vendor (in the case of assignment by the Purchaser) to any such assignee(s) shall not be greater than its liability to the Purchaser or the Vendor, as the case may be, if that assignment had not occurred.

33. SUCCESSORS

This Agreement shall operate for the benefit of and be binding upon the successors and permitted assignees of each of the parties and references in this Agreement to the parties shall be construed accordingly.

34. ENTIRE AGREEMENT

34.1 This Agreement (together with the Disclosure Letter and all other agreements and documents entered into pursuant to this Agreement) constitute the whole agreement between the parties relating to the sale and purchase of the Shares and supersede any previous written or oral agreement between the parties relating thereto.

34.2 The Purchaser acknowledges that no provisions are to be regarded as implied into this Agreement, save for those implied by law and which are not lawfully capable of being excluded. All implied provisions lawfully capable of being excluded are excluded for all purposes.

34.3 Each party acknowledges that in entering into this Agreement it is not relying on any statement, representation, assurance or warranty that is not set out in this Agreement.

34.4 The Purchaser irrevocably and unconditionally waives any right it may have to rescind this Agreement for any misrepresentation, whether or not contained in this Agreement, or to terminate this Agreement for any other reason other than in accordance with its express terms.

34.5 The Purchaser irrevocably and unconditionally waives any right it may have to bring a claim or take any proceedings against the Vendor for misrepresentation, whether in equity, tort or under the Misrepresentation Act 1967, in respect of any misrepresentation, whether or not contained in this Agreement and whether innocently or negligently made. The Purchaser's sole remedy in respect of any such misrepresentation shall be an action for breach of contract under the terms of this Agreement if and to the extent that the subject matter of the misrepresentation in question constitutes a breach of the Warranties.

34.6 Save as expressly provided in this Agreement, the Purchaser irrevocably and unconditionally waives any right of set off or counterclaim, deduction or retention it might otherwise have in respect of any claim under this Agreement.

35. VARIATION AND WAIVER

35.1 No variation of this Agreement shall be effective unless it is in writing and signed by or on behalf of each party.

35.2 No waiver by a party of any right or remedy under this Agreement or provided by law shall be effective unless it is specific, in writing and signed by or on behalf of the party waiving the right or remedy. Any such waiver shall be effective only as regards the specific matter or circumstances in relation to which it is given and shall not prejudice or affect any other rights or remedies of the parties. A waiver of any breach of this Agreement shall not operate as a waiver of any subsequent breach.

35.3 A failure by a party to exercise, or a delay by it in exercising, any right or remedy under this Agreement or provided by law shall not constitute a waiver of that or any other right or remedy. The single or partial exercise by a party of any right or remedy under this Agreement or provided by law shall not preclude any other or further exercise of that right or remedy or the exercise of any other right or remedy.

35.4 The rights and remedies of the parties under this Agreement are in addition to, and not exclusive of, any rights or remedies provided by law.

36. INVALIDITY

36.1 If any provision of this Agreement is or becomes illegal, invalid or unenforceable in whole or in part, then such provision shall apply with whatever modification is necessary so that it is legal, valid and enforceable and gives effect to the commercial intention of the parties. If such modification is not possible, then the provision or the relevant part of it shall, to the extent that it is illegal or invalid or unenforceable, be deemed to be deleted from this Agreement.

36.2 If any provision or any part of any provision of this Agreement is modified or deleted in accordance with Clause 36.1, the legality, validity and enforceability of the remainder of the relevant provisions and/or this Agreement shall not be affected (and the Vendor will be bound by the terms of this Agreement as modified or deleted accordingly).

37. THIRD PARTY RIGHTS

37.1 A person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Agreement, except as set out in Clause 37.2, 37.3 and 37.4.

37.2 The Acquired Group Companies, any member of the Purchaser's Group and any member of the Vendor's Group and their respective directors, officers, employees, agents and advisers may enforce and rely on any Clause in this Agreement if such Clause is expressed to be for their benefit.

37.3 Contura International, a Nominee, each Vendor Assignee and the Joint Liquidators (if appointed) may rely on the provisions of Schedule 14.

37.4 Each Holder may rely on and enforce the terms of Clause 25.

38. NOTICES

38.1 A notice under this Agreement must be:

(a) in writing; and

(b) delivered by hand or courier or sent by prepaid first class post or by email to the party to whom it is being given at its postal address or email address, and marked for the attention of the person, specified in Clause 38.2 (or such other address, or person as that party may from time to time specify by notice given in accordance with this Clause 38).

38.2 The notice details of the parties for the purposes of Clause 38.1 are:

(a) in the case of the Vendor:

Postal Address: 14 Took's Court, London, EC4A 1LB, United Kingdom

Email Address: [***]

Attention: Patrick Banks, Chief Executive Officer

(b) in the case of the Purchaser:

Postal Address: Fifth Floor
One New Change
London
United Kingdom EC4M 9AF

With a copy to:

Aaron Pettit
26 Technology Drive
Irvine
California 92618
United States of America

Email Address: Raymond Cohen ([***]) cc. Aaron Pettit ([***])

Attention: Raymond Cohen, Chief Executive Officer

With a copy to: Aaron Pettit, General Counsel

(c) in the case of the Guarantor:

Postal Address: 26 Technology Drive
Irvine
California 92618
United States of America

Email Address: Raymond Cohen ([***]) cc. Aaron Pettit ([***])

Attention: Raymond Cohen, Chief Executive Officer

With a copy to: Aaron Pettit, General Counsel

38.3 A party may at any time give notice to the other party of a change to its notice details specified in Clause 38.2 but no such change shall take effect until the fifth day after the date on which the notice is received by the other party or such later date as may be specified in the notice.

38.4 A notice under this Agreement shall take effect from the time received and, in the absence of evidence of earlier receipt, shall be deemed to have been received:

(a) if delivered by hand or courier, at the time of delivery;

(b) if sent by prepaid first class post, on the second day after posting or, if posted to or from a place outside the United Kingdom, the seventh day after posting; and

(c) if sent by email, at the time of sending,

provided always that a notice received or deemed to have been received outside business hours shall be deemed not to have been received until the start of the next period of business hours (and, for this purpose, business hours means 9.00 a.m. to 6.00 p.m. local time in the place of receipt on a day which is not a Saturday, Sunday or public holiday in that place).

38.5 In proving delivery of a notice, it shall be necessary only to show that:

(a) if delivered by hand or courier, the notice was delivered to the correct address;

(b) if sent by post, the notice was contained in an envelope which was properly addressed and posted in accordance with Clause 38.1; or

(c) if sent by email, the notice was sent to the correct address and the email was recorded in the IT system of the sender and the sender did not, within 24 hours of sending the email, receive an error message indicating failure to receive or send.

39. PAYMENTS

39.1 Save as expressly provided to the contrary in this Agreement (and unless otherwise agreed in writing by the parties) and subject to Clause 39.1(c):

(a) any payment to be made pursuant to this Agreement by the Purchaser to the Vendor shall be made to the following bank account of the Vendor (or such other bank account(s) as the Vendor may give not less than three Business Days' notice in writing to the Purchaser from time to time):

Correspondent Bank JP Morgan Chase Bank
New York, USA
ABA 002

SWIFT address [***]
Fed wire [***]

For Credit to
Account name Investec Bank (Channel Islands) Limited
St Peter Port
Guernsey

Account number [***]
Chips UID [***]
SWIFT address [***]

Beneficiary

Account Name Contura Holdings Limited
Account Number [***]
IBAN [***]

(b) any payment to be made pursuant to this Agreement by the Vendor to the Purchaser shall be made to the Purchaser's Bank Account; and

(c) payment under Clauses 39.1(a) and/or 39.1(b) shall be in immediately available funds by electronic transfer on the due date for payment. Receipt of the amount due shall be an effective discharge of the relevant payment obligation.

39.2 Payment of the Escrow Amount shall be made by electronic transfer of immediately available funds into the Escrow Account.

39.3 Payment of the US Sale Consideration to the Company shall be made by electronic transfer of immediately available funds into the following bank account of the Company:

Beneficiary

Bank Clydesdale Bank
Account Name Contura Limited
Account Number [***]
BIC [***]
IBAN [***]

39.4 If any sum due for payment under this Agreement is not paid on the due date, the party in default shall pay interest thereon at the Default Rate for the period from (and including) the due date for payment to (but excluding) the date of actual payment (such interest to compound annually).

40. COUNTERPARTS

This Agreement may be executed in any number of counterparts and by the parties on separate counterparts but shall not be effective until each party has executed at least one counterpart. Each counterpart shall constitute an original of this Agreement but all the counterparts together shall constitute one and the same instrument.

41. LANGUAGE

This Agreement was drawn up and negotiated in English and, to be valid, any notice or other communication given or made under or in connection with this Agreement must also be in English. If, for any reason, this Agreement or any such notice or other communication (or any part thereof) is translated into any language other than English, the English text shall prevail.

42. CURRENCY

42.1 Subject to Clause 42.2, where any payment under this Agreement is specified to be made in US$ Dollars but payment is made in another currency (whether as a result of any judgement or order or otherwise), the payment made will be converted into US$ Dollars at the Exchange Rate on the Business Day prior to the date of payment.

42.2 Notwithstanding Clause 42.1, the Purchase Price (other than that part of it to be satisfied by the issue of the Consideration Shares) shall be paid in US$ Dollars.

43. GOVERNING LAW, JURISDICTION AND AGENT FOR SERVICE

43.1 This Agreement and any non-contractual obligations arising out of or in connection with this Agreement shall be governed by and construed in accordance with English law.

43.2 Each party agrees that the courts of England are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Agreement (including any dispute relating to any non-contractual obligations arising out of or in connection with this Agreement) and that accordingly any proceedings arising out of or in connection with this Agreement shall be brought in the courts of England. Each party irrevocably submits to the jurisdiction of the courts of England and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

43.3 The Guarantor irrevocably appoints the Purchaser as its agent to receive on its behalf in England or Wales service of any proceedings arising out of or in connection with this Agreement. Such service shall be deemed completed on delivery to the Purchaser (whether or not it is forwarded to and received by the Guarantor). If for any reason the Purchaser ceases to be able to act as agent or no longer has an address in England or Wales, the Guarantor shall promptly appoint another person as a replacement agent and shall give notice to the other parties of the new agent's name and address within England and Wales.

THIS AGREEMENT is **EXECUTED** as a **DEED** and is delivered on the date first above written.

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

SCHEDULE 1

Particulars of the Acquired Group Companies

Part 1

The Company

Company name:	Contura Limited
Registered number:	03145216
Date and place of incorporation:	11 January 1996, England
Registered office:	14 Took's Court, London, EC4A 1LB
Issued share capital	2,800,000 Ordinary Shares 14,206,178 A Preferred Shares 4,672,896 B Preferred Shares
Registered shareholders and shares held:	2,800,000 Ordinary Shares – Contura Holdings Limited 14,206,178 A Preferred Shares – Contura Holdings Limited 4,672,896 B Preferred Shares – Contura Holdings Limited
Beneficial owners and shares beneficially owned:	n/a
Directors:	Patrick Banks Graham Fraser-Pye Ian Jacobson Craig Podolsky Rakesh Tailor
Secretary:	Patrick Banks
Auditors:	MHA MacIntyre Hudson
Accounting reference date:	31 December
Registered charges:	Debenture and guarantee dated 20 May 2016 in favour of Juno Pharmaceutical Luxembourg S.a. r.l.

and registered at Companies House with Charge code 0314 5216 0009 (partially satisfied)

Debenture and guarantee dated 20 May 2016 in favour of Juno Pharmaceutical Luxembourg S.a. r.l. and registered at Companies House with Charge code 0314 5216 0008 (outstanding)

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Part 2

The Subsidiaries

Contura Inc.

Company name:	Contura Inc.
Registered number:	33-1168942
Date and place of incorporation:	13 September 2006, Delaware
Registered office:	18001 Cowan, Suite L, Irvine, California 92614
Issued share capital:	113,638 shares of common stock, par value $0.01, comprised of 111,112 A shares and 2,526 B shares
Registered shareholders and shares held (following completion of the sale of shares by the US Sellers under the US Sale Agreement):	Contura Limited – 111,112 A shares and 2,526 B shares
Beneficial owners and shares beneficially owned:	n/a
Directors:	Patrick John Banks Rakesh Chhaganlal Tailor Casey Kanel Angelo Mastrio II
Secretary:	Angelo Mastrio II
Auditors:	n/a
Accounting reference date:	31 December
Registered charges:	None

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Contura Deutschland GmbH

Company name:	Contura Deutschland GmbH (former Speciality European Pharma GmbH)
Registered number:	Commercial register of the local court of Düsseldorf HRB 56272
Date and place of incorporation:	30 April 2007 in Ratingen, Germany
Registered office:	Bahnstraße 29-31, 40878 Ratingen, Germany
Issued share capital:	EUR 25,000.00
Registered shareholders and shares held:	Contura Limited holds the sole share with serial no. 1 and a nominal value of EUR 25.000,00.
Beneficial owners and shares beneficially owned:	n/a
Directors:	Teunis Pieter Alblas Patrick John Banks
Secretary:	n/a
Auditors:	n/a
Accounting reference date:	31 December
Registered charges:	None

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Contura France SARL

Company name:	Contura France SARL
Registered number:	495 274 144 R.C.S Paris
Date and place of incorporation:	5 April 2007, France
Registered office:	81 rue Réaumur, 75002 Paris
Issued share capital:	100 shares of €75 each (*parts sociales*)
Registered shareholders and shares held:	100 shares – Contura Limited
Directors:	Patrick John Banks Teunis Pieter Alblas
Secretary:	n/a
Auditors:	n/a
Accounting reference date:	31 December
Registered charges:	None

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

SCHEDULE 2

Particulars of the Properties and the Leases

Part 1

The German Lease

Address or description of property:	Bahnstraße 29-31 in 40878 Ratingen, Germany
Description of part of property affected:	Leased area: unit 14 (comprises approx. 191 sqm office space and ancillary facilities located on the 4th floor of the main building) as well as 5 car parking spaces (2 outdoors, 3 underground car park)
Description of occupational lease:	Commercial lease agreement for office space
Current tenant:	Contura Deutschland GmbH (formerly Speciality European Pharma GmbH)
Term (including options to break and renew):	Current term until 31 August 2021; automatic extension by one year each; can be terminated by both parties with 6 months notice to the end of each term (31 August)
Current rent and rent review dates:	Current rent: [***]
Current use:	Sales office for pharmaceutical products

Part 2

The US Lease

Address or description of property:	18001 Cowan, Suite L, Irvine, CA 92614
Description of part of property affected:	1,939 square feet located on the second floor of 18001 Cowan, Suite L, Irvine, CA 92614 (known as ″Cowan Corporate Center″)
Description of occupational lease:	Commercial lease agreement for office space
Current tenant:	Contura Inc.
Term (including options to break and renew):	1 March 2020 until 31 March 2023
Current base rent and rent review dates:	$[***] per year, adjusted annually on 1st March
Current use:	Sales office for pharmaceutical products

SCHEDULE 3

Power of Attorney Pending Registration

1. POWER OF ATTORNEY

1.1 The Vendor appoints the Purchaser as its attorney and in the Vendor's name or otherwise and on its behalf to exercise all rights, powers and privileges attaching to the Shares or which are otherwise capable of being exercised by the Vendor as registered holder of the Shares and for such purpose to do all such acts and things and to complete, execute and deliver all such documents deeds or instruments as the Purchaser shall in its absolute discretion see fit or consider necessary or desirable including without limitation all or any of the following (in each case, in such manner and on such terms as the Purchaser shall, in its absolute discretion think fit):

(a) to receive and accept service of, or waive, notice of any general meeting of the Company or any meeting of the holders of any class of shares of the Company (any such meeting for the purposes of this paragraph 1.1(a) being referred to as a "**meeting of the Company**"), to consent to the holding of any meeting of the Company on short notice and to requisition or join the requisitioning of any meeting of the Company;

(b) to attend speak and vote (whether on a show of hands or on a poll) at any meeting of the Company and to demand or to join in demanding a poll at any meeting of the Company;

(c) to appoint any person (including the Purchaser) as the Vendor's proxy to exercise all or any of the Vendor's rights to attend and to speak and vote at any meeting of the Company;

(d) to receive and accept any written resolution proposed (whether by the directors or members of the Company) to be passed in accordance with Chapter 2 of Part 13 of the CA 2006 and to sign or otherwise signify agreement to any such resolution;

(e) to deal with and give directions as to moneys, securities, benefits, documents, notices or other communications (in whatever form) arising by right of the Shares or received in connection with the Shares from the Company or any other person; and

(f) to execute and to complete and deliver (as applicable) all such transfers, instructions, documents, deeds and/or instruments in the Vendor's name insofar as may be done in the Vendor's capacity as registered holder of the Shares.

1.2 The Vendor undertakes to the Purchaser that it will:

(a) not exercise any rights attaching to the Shares or which are otherwise capable of being exercised by the registered holder of any of the Shares without the prior written consent of the Purchaser;

(b) promptly account to the Purchaser for all dividends and other distributions received by it in respect of the Shares following the date of this Agreement;

(c) promptly forward to the Purchaser any notice, letter or other document, information or communication (including any document or information or communication in electronic form) relating to any of the Shares received by it following the date of this Agreement or, if otherwise requested by the Purchaser, act promptly in accordance with the Purchaser's instructions in relation to any rights exercisable or anything received by the Vendor in the Vendor's capacity as registered holder of the Shares; and

(d) ratify and confirm whatever the Purchaser shall in good faith do or cause to be done (or purport or cause to be done) in the exercise of any of the powers conferred on the Purchaser and granted pursuant to this Schedule 3.

1.3 The Purchaser may delegate all of the powers conferred on the Purchaser pursuant to this Schedule 3 to an officer or officers appointed for that purpose by resolution of the directors or other governing body of the Purchaser.

1.4 The Purchaser may appoint one or more persons to act as a substitute attorney for the Purchaser and to exercise one or more of the powers conferred on the Purchaser pursuant to this Schedule 3 (other than the power to appoint a substitute attorney) and may revoke such appointment at any time.

1.5 The power of attorney granted pursuant to this Schedule 3 shall be irrevocable save with the consent of the Purchaser and is given by way of security to secure the proprietary interest of the Purchaser as the purchaser of the Shares, but shall expire on the earlier of:

(a) the date on which the Purchaser (or its nominee) is entered into the Company's register of members as holder of the Shares; and

(b) the date falling 90 days after the Completion Date.

1.6 The Vendor declares that a person who deals with the Purchaser in good faith may accept a written statement signed by the Purchaser to the effect that the power of attorney granted pursuant to this Schedule 3 has not been revoked as conclusive evidence of that fact.

1.7 The Vendor declares that a person who deals with the Purchaser in good faith may accept a written statement by the Vendor to the effect that the power of attorney granted pursuant to this Schedule 3 has not been revoked as conclusive evidence of that fact.

SCHEDULE 4

Part 1: Vendor's Completion Obligations

1. DELIVERY OF DOCUMENTS

At Completion, the Vendor shall deliver, or cause to be delivered, to the Purchaser the following:

Share transfers

(a) transfer of the Shares duly executed by the registered holder in favour of the Purchaser (or its nominee);

(b) the share certificate(s) for the Shares in the name of the registered holder (or, in the case of any share certificate found to be missing, an indemnity in the Agreed Form);

Related transaction documents

(c) the Disclosure Letter duly executed by the Vendor;

(d) the Data Room on a USB;

(e) the Escrow Agreement duly executed by the Vendor and Contura International;

(f) the Escrow Fee Letter duly executed by the Vendor and Contura International;

(g) the Cross-Licence Agreement duly executed by Contura A/S and the Company;

(h) the Know-how Licence Agreement duly executed by Contura A/S, Contura International A/S and the Company;

(i) the Exclusive Manufacturing and Supply Agreement duly executed by Contura International A/S and the Company;

(j) the Transitional Services Agreement duly executed by Contura International;

(k) evidence that the Company has, on or before the date of this Agreement, taken out the Tail Policy;

(l) the Milestone Incentive Letters duly executed by the parties thereto;

(m) a deed of restrictive covenant in the Agreed Form to be entered into between Patrick Banks and the Purchaser, duly executed by Patrick Banks;

(n) a deed of restrictive covenant in the Agreed Form to be entered into between Rakesh Tailor and the Purchaser, duly executed by Rakesh Tailor;

Pre-Completion Reorganisation Documents

(o) the Asset Transfer Agreement duly executed by the parties thereto;

(p) a notice of assignment of the distribution and supply agreement entered into on 21 December 2018 (and as amended on 11 November 2019) between Contura International A/S and Swixx Biopharma SA (formerly Amicus SA) in accordance with said agreement, duly executed by Contura International A/S;

(q) the Intellectual Property Assignment Agreement duly executed by Contura A/S, Contura International A/S and the Company;

(r) a deed of termination of the licence agreement dated 20 December 2007 between Contura A/S and Contura International A/S, in the Agreed Form, duly executed by the parties thereto;

(s) a deed of termination of the licence agreement dated 30 December 2014 between Antematter IP Limited and Contura International A/S, in the Agreed Form, duly executed by the parties thereto;

(t) details of any renewal applications to be made, official fees to be paid or any steps relating to the administration of the Owned Business IP that are to be paid, made or taken within 90 days of Completion;

(u) a copy of the agreement for the sale and purchase of the entire issued share capital of Contura A/S dated 4 February 2021 between (1) the Company as seller, (2) Contura International as buyer, and (3) the Vendor;

(v) a copy of the notarised deed of transfer of quotas relating to the transfer of the entire issued share capital of Speciality European Pharma (Italy) Srl from the Company to Contura Orthopaedics Limited, duly executed by the parties thereto;

(w) letters, in the Agreed Form, to be sent by the Company to each Transferred-out Employee explaining that their employment has been transferred to Contura International pursuant to the Transfer Regulations, duly executed by the Company;

(x) deeds of novation, in the Agreed Form, to be entered into by each Transferred-out Employee with Contura International and the Company;

(y) a licence to assign relating to the lease of 14 Took's Court, Holborn, London EC4A 1LB, in the Agreed Form, to be entered into by Arubu Properties Limited, the Company and Contura International, duly executed by the parties thereto;

(z) a deed of assignment relating to the lease of 14 Took's Court, Holborn, London EC4A 1LB, in the Agreed Form, to be entered into by the Company (as assignor) and Contura International (as assignee) duly executed by the parties thereto;

(aa) assignment agreements in respect of the assignment of each of the distribution agreements listed at paragraph 1 of Part 1 of Schedule 11 from Contura International A/S to the Company, in the Agreed Form, duly executed by the parties thereto;

(bb) notices of assignment in respect of the assignment of each of the distribution agreements listed at paragraph 1 of Part 1 of Schedule 11 from Contura International A/S to the relevant distributor, in the Agreed Form, duly executed by Contura International A/S;

(cc) a letter from Contura International A/S to the FDA, in the Agreed Form, notifying the FDA of the transfer of ownership of PMA P170023 from Contura International A/S to the Company, duly executed by Contura International A/S;

(dd) a letter from the Company to the FDA, in the Agreed Form, notifying the FDA of the transfer of ownership of PMA P170023 from Contura International A/S to the Company, duly executed by the Company;

(ee) a copy of the assignment agreement dated 15 February 2021 made between the Company and Contura International, under which the rights of the Company under the IT support agreement dated 12 February 2021 between AJ Active Solutions Limited and the Company are assigned to Contura International, duly executed by the parties thereto;

(ff) a copy of the notice of assignment of the IT support agreement referred to at paragraph 1(ff) dated 15 February 2021 and duly executed by the parties thereto

(gg) a notice of termination of the licence, distribution and supply agreement dated 7 May 2009 entered into between (1) Madaus GmbH and (2) the Company, as amended, relating to Regurin XL and Regurin BD, duly executed by the Company;

Resignations and appointments

(hh) the written resignation, in the Agreed Form and executed as a deed, of each director of each Acquired Group Company from his office as a director with effect from Completion;

(ii) in respect of the resignations of the managing directors of Contura Deutschland GmbH, the confirmation of receipt of the resignation letters duly executed by the Company as sole shareholder of Contura Deutschland GmbH;

(jj) the written resignation, in the Agreed Form and executed as a deed, of the secretary of each Acquired Group Company from his office as secretary with effect from Completion;

Company documentation and statutory books

(kk) the certificate of incorporation, any certificates of incorporation on change of name and the common seal (if any) of each Acquired Group Company;

(ll) the statutory books and minute books or, if applicable all the corporate documentation including all the shareholder's resolutions, and the books of account, Tax records and other financial records of each Acquired Group Company (in each case duly written up-to-date as at immediately prior to Completion), and the Purchaser directs that delivery is satisfied by the retention of all such information by Contura International to enable it to provide related services to the Acquired Group under the Transitional Services Agreement;

(mm) the Companies House online filing code for the Company together with a written confirmation as to whether or not the Company is registered for the Companies House PROOF scheme;

(nn) a letter, in the Agreed Form, from the Vendor confirming that it has ceased to be a registrable person (within the meaning of section 790C of the CA 2006) in relation to the Company;

Property matters

(oo) the US Lease;

(pp) the German Lease;

Financial matters

(qq) all cheque books of each Acquired Group Company and all other online banking devices, cards and/or code generators relating to each Acquired Group Company's bank account;

(rr) a copy of the bank mandate of each Acquired Group Company and a bank statement showing the credit or debit balance on each bank account of each Acquired Group Company at the close of business on the last Business Day preceding Completion, details of each Acquired Group Company's cash book balances at Completion and a statement reconciling each Acquired Group Company's cash book balances at Completion with the bank statements referred to above;

(ss) evidence of the termination of all credit cards held or used by Transferred-out Employees in connection with the business;

(tt) evidence satisfactory to the Purchaser of the repayment of all amounts owed to any Acquired Group Company by the Vendor or any Associate of any Vendor (whether due for payment or not);

(uu) a deed of release in the Agreed Form in respect of the charges created by the Company in favour of Juno Pharma Finance S.à r.l. and set out in Part 1 of Schedule 1, duly executed by the parties thereto;

(vv) a letter from Danske Bank A/S in the Agreed Form under which it agrees to release specified security granted by Contura A/S and Contura International A/S;

Authorisations and resolutions

(ww) where any document delivered to the Purchaser under this Schedule has been executed by a company, a copy of:

(i) the resolution of the board of directors of the relevant company (or committee of the board) which authorised the execution of that document; and

(ii) in the case of a resolution of a committee, the resolution of the board of directors of each relevant company constituting that committee.

(xx) signed minutes, in the Agreed Form, of the meeting of the directors of each Acquired Group Company or shareholder of each Acquired Group Company (as the case may be) required to be held under paragraph 2;

Miscellaneous

(yy) an acknowledgement and waiver from the Vendor, in the Agreed Form and executed as a deed, confirming that neither the Vendor nor any Associate of the Vendor has any claim against any Acquired Group Company and waiving any such claim as may exist.

2. BOARD RESOLUTIONS OF EACH ACQUIRED GROUP COMPANY

At Completion, the Vendor shall procure that a meeting of the board of directors of each Acquired Group Company is duly convened and held and that resolutions are duly passed at that meeting:

(a) in respect of the Company only, approving the registration of the transfer of the Shares referred to in paragraph (a) (subject only to the transfers being duly

stamped) and authorising the issue and delivery to the Purchaser (or its nominee) of a new share certificate in respect of the Shares;

(b) accepting the resignations of the directors and the secretary of the relevant Acquired Group Company referred to in paragraphs 1(ii) and 1(kk) with effect from the end of the meeting;

(c) appointing such persons as the Purchaser may nominate as directors of each Acquired Group Company (but, in each case, not exceeding any maximum number of directors specified in the articles of association of each particular Acquired Group Company) with effect from the end of the meeting;

(d) in respect of the Company only, changing the address of the registered office to such address as the Purchaser may nominate; and

(e) revoking all existing instructions and authorities to bankers in respect of the operation of each Acquired Group Company's bank accounts and giving authority in favour of such persons as the Purchaser may nominate to operate the bank accounts of each Acquired Group Company.

Part 2: Purchaser's Completion Obligations

1. Subject to due compliance by the Vendor of its obligations under Part 1 of Schedule 4, the Purchaser shall:

(a) pay the Completion Cash Payment to the Vendor in accordance with Clause 39.1(a);

(b) pay the Escrow Amount into the Escrow Account in accordance with Clause 39.2;

(c) pay the Escrow Fee to the Escrow Account Agent in accordance with the terms of the Escrow Agreement;

(d) pay the US Sale Consideration to the Company in accordance with Clause 39.3 and shall procure that the Company shall pay such sum to the US Sellers within 5 Business Days of the Completion Date in accordance with the terms of the US Sale Agreements;

(e) procure that the Company shall pay the Tail Policy Premium CAD to BFL CANADA Risk and Insurance Services Inc. in accordance with the terms of the invoice for the Tail Policy;

(f) pass such directors' and shareholders' resolutions as are required under applicable law at a duly convened board meeting and a general meeting or by shareholders' written resolution of the Purchaser to authorise the execution of and the performance by the Purchaser of its obligations under this Agreement and each of the other documents to be executed by the Purchaser pursuant to this Agreement;

(g) deliver to the Escrow Account Agent and to the Vendor's Solicitors:

(i) a counterpart of the Escrow Agreement duly executed by the Purchaser; and

(ii) a counterpart of the Escrow Fee Letter duly executed by the Purchaser;

(h) deliver to the Vendor's Solicitors:

(i) an acknowledgment of the Disclosure Letter duly executed by the Purchaser;

(ii) the Transitional Services Agreement, duly executed by the Purchaser;

(iii) the deed of restrictive covenant in the Agreed Form to be entered into between Patrick Banks and the Purchaser, duly executed by the Purchaser;

(iv) the deed of restrictive covenant in the Agreed Form to be entered into between Rakesh Tailor and the Purchaser, duly executed by the Purchaser; and

(i) the Consideration Shares;

(i) evidence that the Purchaser has, on or before the date of this Agreement, taken out the W&I Policy; and

(j) procure that a meeting of the board of directors of the Guarantor is duly convened and held and that resolutions are duly passed at that meeting to issue the Consideration Shares to the Vendor and approve its entry into this Agreement as guarantor.

SCHEDULE 5

Warranties

1. CAPACITY AND AUTHORITY

1.1 The Vendor is a company duly incorporated and validly existing under the laws of England and Wales.

1.2 The Vendor has the legal right and full power and authority, and has taken all action and obtained all consents necessary to enable it, to enter into and perform this Agreement and each other document to be executed by it pursuant to or in connection with this Agreement.

1.3 The obligations of the Vendor under this Agreement and each other document to be executed by the Vendor pursuant to or in connection with this Agreement constitute or will when executed constitute its legal, valid, and binding obligations enforceable against it in accordance with their respective terms.

1.4 The entry into and performance by the Vendor of this Agreement and each other document to be executed by it pursuant to or in connection with this Agreement does not require the consent of its shareholders or of any other person and will not conflict with or result in a breach of or constitute a default under:

(a) any provision of its constitutional documents or any agreement or instrument to which the Vendor is a party or by which it is bound; or

(b) any applicable law or regulation or any order, judgment, decree or decision of any court, tribunal, governmental agency, administrative or regulatory body or other person to which the Vendor is subject or by which it is bound.

2. SHARES IN THE COMPANY AND THE SUBSIDIARIES

2.1 The Shares are registered as set out in Part 1 of Schedule 1 and comprise the whole of the allotted and issued share capital of the Company. The Vendor is the sole legal and beneficial owner of the Shares and has the right to exercise all voting and other rights over the Shares.

2.2 All of the Shares have been properly and validly allotted and issued and are fully paid or credited as fully paid. The Company has not allotted or issued any share capital other than the shares shown in Part 1 of Schedule 1 as being issued.

2.3 The shares in the Subsidiaries specified in Part 2 of Schedule 1 comprise the whole of their respective allotted and issued share capitals. All of such shares have been properly and validly allotted and issued and are fully paid or credited as fully paid.

2.4 An Acquired Group Company is the sole legal and beneficial owner of all of the allotted and issued shares in each of the Subsidiaries and has the right to exercise all voting and other rights over such shares.

2.5 There is no agreement or commitment which provides for, or grants to any person the right (whether exercisable now or in the future and whether contingent or not) to call for, the allotment, issue, conversion, sale, transfer, repayment or redemption of any share or loan capital (or any security giving rise to a right over or an interest in any share or loan capital) of any Acquired Group Company and no claim has been made by any person to be entitled to any such right.

2.6 There is no Encumbrance on, over or affecting the Shares or any unissued shares or other securities in any Acquired Group Company, there is no agreement or commitment to give or create any such Encumbrance and no claim has been made by any person to be entitled to any such Encumbrance.

2.7 None of the shares in any Acquired Group Company was, or represents assets which were, the subject of a transaction at an undervalue (within the meaning of section 238 or 339 of the Insolvency Act 1986) or any other transaction capable of being set aside or varied under any insolvency laws within the past five years.

2.8 No Acquired Group Company has at any time reduced its share capital, redeemed or repaid any of its share capital or purchased any of its own shares or entered into any agreement or commitment to do any of the foregoing.

2.9 Save as set out in Part 2 of Schedule 1 no Acquired Group Company has or has ever had;

(a) any subsidiaries or subsidiary undertakings; or

(b) any interest in any share or loan capital or any security giving rise to a right over or an interest in any share or loan capital of any company nor has agreed to acquire any such interest.

3. CORPORATE INFORMATION

3.1 Each Acquired Group Company is a private limited company duly incorporated and validly existing under the laws of the jurisdiction in which it is incorporated.

3.2 The particulars relating to each Acquired Group Company set out in Schedule 1 are true and accurate.

3.3 The copy of the articles of association (or equivalent constitutional document) of each Acquired Group Company (and if applicable, memorandum) contained at sections 09/01/01/01/05, 09/01/10/01/15, 09/01/15/01/05 and 09/01/25/05 of the Data Room:

(a) is complete and accurate in all respects;

(b) has attached to or incorporated in it complete and accurate copies of all resolutions and other documents required by law to be so attached or incorporated; and

(c) fully sets out the rights and restrictions attaching to each class of share capital of the relevant Acquired Group Company.

3.4 Each Acquired Group Company has at all times carried on its business and conducted its affairs in all respects in accordance with its memorandum (if applicable) and articles of association (or equivalent constitutional document) and no Acquired Group Company has entered into any transaction ultra vires that Acquired Group Company or outside the authority or powers of the directors of that Acquired Group Company.

3.5 Due compliance has been made with all legal requirements (including the CA 2006) in connection with:

(a) the formation of each Acquired Group Company;

(b) any allotment, issue, purchase or redemption of shares, debentures or other securities in each Acquired Group Company;

(c) any reduction of the share capital of each Acquired Group Company;

(d) any amendment to the memorandum (if applicable) or articles of association (or equivalent constitutional document) of each Acquired Group Company; and

(e) the passing of any resolutions by each Acquired Group Company.

3.6 The statutory books (including the register of members) and minute books (or equivalent records) of each Acquired Group Company:

(a) have been maintained in accordance with applicable law on a proper and consistent basis;

(b) contain complete and accurate records of all matters which should be dealt with in accordance with applicable law and are up to date; and

(c) are in the possession or under the direct and exclusive control of the Acquired Group Company to which they relate.

3.7 The PSC Register of the Company has been properly kept and contains true and complete records of all registrable people with significant control over the Company (including, for the avoidance of doubt, all registrable relevant legal entities of the Company), or, to the extent that the Company's PSC Register is incomplete, such PSC Register contains true

and complete statement(s) to that effect in accordance with the Register of People with Significant Control Regulations 2016, and the Company has not received any notice or been subject to any allegation that its PSC Register is incorrect or should be rectified.

3.8 No notice or allegation that any of the statutory books or minute books (or equivalent records) of any Acquired Group Company is incorrect or should be rectified has been received or made.

3.9 All deeds and documents (including all documents of title and copies of all agreements to which any Acquired Group Company is a party) which are the property of an Acquired Group Company or ought to be in the possession or under the control of an Acquired Group Company are in the possession or under the direct and exclusive control of the relevant Acquired Group Company and are free from any Encumbrances.

3.10 All returns, particulars, resolutions and other documents required to be delivered or made by each Acquired Group Company or any of its officers to the Registrar of Companies in England and Wales or any other governmental or regulatory body or any local authority or any other authority in any jurisdiction have been duly and punctually delivered or made and all such documents and returns were correct and complete.

3.11 All dividends or distributions declared, made or paid by any Acquired Group Company have been declared, made or paid in accordance with its memorandum and articles of association (or equivalent constitutional documents), all applicable laws and regulations and any agreements or arrangements made between the relevant Acquired Group Company and any of its shareholders or any other person regulating the declaration, making or payment of dividends or distributions.

3.12 The accounting reference date of each Acquired Group Company is, and has during the past six years been, 31 December.

Pre-Completion Reorganisation

3.13 The Pre-Completion Reorganisation Documents together with the documents referred to therein contain all of the material contractual terms and conditions relating to the Pre-Completion Reorganisation and are enforceable by each Acquired Group Company in accordance with their terms.

3.14 Each Acquired Group Company and member of the Vendor's Group has all requisite power and authority, and has taken all necessary action, to enter into the Pre-Completion Reorganisation Documents to which it is party and any other agreements or instruments to be entered into by it pursuant to or in connection with the Pre-Completion Reorganisation and to perform the obligations assumed by it in accordance with their terms without (except as expressly set out or provided for in any Pre-Completion Reorganisation Document) obtaining the consent of any person.

3.15 There are no circumstances which entitle any Acquired Group Company or any member of the Vendor's Group to make any claim under any of the warranties or indemnities given in favour of it in the Pre-Completion Reorganisation Documents or under any of the other undertakings, covenants or indemnities to be given or made pursuant to the Pre-Completion Reorganisation Documents or would entitle any Acquired Group Company or any member of the Vendor's Group to make a claim under any of the Pre-Completion Reorganisation Documents upon them being completed.

4. POWERS OF ATTORNEY

No Acquired Group Company has given any power of attorney or any other authority (express, implied or ostensible) which is still outstanding or effective to any person to enter into any agreement or commitment or to do anything on its behalf (other than any authority to its employees to enter into routine trading contracts in the normal course of their duties).

5. ACCOUNTS

5.1 The Accounts have been properly prepared:

(a) in accordance with applicable law;

(b) under the historical cost convention;

(c) in accordance with:

(i) FRS 102 and in each instance in accordance UK GAAP in force at the Accounts Date; or

(ii) where each Acquired Group Company prepares its accounts in accordance with international accounting standards, IFRS, and using appropriate accounting policies;

(d) applying the same accounting policies, accounting methods, underlying assumptions, measurement bases and estimation techniques; and

(e) applying the same accounting policies, accounting methods, underlying assumptions, measurement bases and estimation techniques in each case as used in the preparation of the audited accounts of the relevant Acquired Group Company for the previous three financial years.

5.2 The Accounts give a true and fair view of:

(a) the assets, liabilities and financial position of each Acquired Group Company at the Accounts Date;

(b) the profits or losses of each Acquired Group Company for the financial year ended on the Accounts Date; and

(c) the cash flows of each Acquired Group Company for the financial year ended on the Accounts Date.

5.3 The Accounts of the Company have been audited in accordance with Part 16 of the CA 2006 by an individual or firm registered to act as auditors in England and Wales and the auditor's report thereon:

(a) is unqualified; and

(b) does not include a reference to any matters to which the auditor wishes to draw attention by way of emphasis without qualifying the report (as contemplated by, in the case of the Company, s.495(4)(c) CA 2006).

5.4 The Accounts make:

(a) proper provision for all actual liabilities of each Acquired Group Company outstanding at the Accounts Date;

(b) proper disclosure of all capital and financial commitments of each Acquired Group Company outstanding as at the Accounts Date;

(c) proper provision for (or disclosure of) all other liabilities of each Acquired Group Company outstanding at the Accounts Date (including contingent liabilities); and

(d) proper provision for all bad and doubtful debts of each Acquired Group Company at the Accounts Date or, where IFRS applies, proper provision for all impairment losses on receivables of each Acquired Group Company as at the Accounts Date.

5.5 The Accounts correctly set forth the capital and reserves and the assets of each Acquired Group Company as at the Accounts Date.

5.6 The profits or losses of each Acquired Group Company for the three financial years ended on the Accounts Date, as shown by the Accounts for the previous two financial years have not been affected by:

(a) any changes or inconsistencies in accounting treatment, measurement bases or estimation techniques;

(b) any errors;

(c) any unusual or non-recurring item(s) of income or expenditure; or

(d) any transaction of an abnormal or unusual nature or entered into otherwise than on normal commercial terms.

5.7 Proper provision has been made in the Accounts for all Taxation liable to be assessed on each Acquired Group Company or for which each Acquired Group Company is or may become accountable in respect of:

(a) profits, gains or income (as computed for Taxation purposes) arising or accruing or deemed to arise or accrue on or before the Accounts Date; and

(b) any transactions effected or deemed to be effected on or before the Accounts Date or provided for in any of the Accounts.

5.8 In the Accounts:

(a) the stock and work-in-progress of each Acquired Group Company was valued at the lower of cost and estimated selling price less cost to complete and sell or, where IFRS applies, the lower of cost and net realisable value;

(b) slow moving and damaged stock was written down as appropriate; and

(c) redundant and obsolete and obsolescent stock was wholly written off.

6. CARVE-OUT ACCOUNTS AND MANAGEMENT ACCOUNTS

6.1 The Management Accounts in respect of each Acquired Group Company have been prepared:

(a) in accordance with the accounting policies used in preparing the Accounts for that Acquired Group Company applied on a consistent basis; and

(b) in good faith and with due care.

6.2 The Carve-Out Accounts have been prepared in good faith and with due care.

6.3 The Management Accounts for each Acquired Group Company fairly reflect without material misstatement the assets, liabilities and state of affairs of that Acquired Group Company as at 31 December 2020 and the profits or losses of the Acquired Group for the period of 12 months ended on that date.

6.4 The Carve-Out Accounts fairly reflect without material misstatement the assets, liabilities and state of affairs of the Acquired Group as at 31 December 2020 and the profits or losses of the Acquired Group for the period of 12 months ended on that date, in each case as if the Pre-Completion Reorganisation had been completed.

7. ACCOUNTING RECORDS

7.1 The books of account and other financial records of each Acquired Group Company required to be kept in accordance with section 386 of the CA 2006 (or equivalent applicable law):

(a) have been kept on a consistent basis;

(b) are complete, accurate and up to date in all material respects;

(c) accurately reflect the individual transactions and events of the relevant Acquired Group Company;

(d) comply with requirements of all applicable law (including, in the case of the Company, the provision of sections 386 and 388 CA 2006); and

(e) are in the possession or under the direct and exclusive control of the relevant Acquired Group Company.

7.2 No Acquired Group Company has received any notice nor has any allegation been made that any of its books of account or other financial records is incorrect or should be rectified.

8. CHANGES SINCE THE ACCOUNTS DATE

8.1 Since the Accounts Date:

(a) the business of each Acquired Group Company has been carried on as a going concern in the ordinary and usual course without any material interruption or material alteration in its nature, scope or manner;

(b) each Acquired Group Company has traded at profit and there has been no material adverse change in the financial or trading position of any Acquired Group Company or of the Acquired Group;

(c) no business of any Acquired Group Company has been materially and adversely affected by the loss of any important customer or source of supply;

(d) no Acquired Group Company has acquired or agreed to acquire any asset having a value in excess of USD $25,000 or for a consideration which is higher than open market value at the time of such asset's acquisition;

(e) no Acquired Group Company has disposed of or agreed to dispose of any asset having a value reflected in the Accounts in excess of USD $25,000 or for a consideration which is lower than open market or book value (whichever is the higher) at the time of such asset's disposal;

(f) there has been no unusual increase or decrease in the level of the stock or work-in-progress of any Acquired Group Company;

(g) there have been no material increases or decreases in the levels of debtors or creditors or in the average collection or payment periods for debtors and creditors respectively as compared to the same period in the financial year ending on the Accounts Date;

(h) each Acquired Group Company has paid its creditors in accordance with their respective credit terms;

(i) no Acquired Group Company has assumed or incurred or agreed to assume or incur any liability (actual or contingent), obligation, commitment or expenditure (including any borrowing or indebtedness) involving an amount in excess of USD $25,000;

(j) no Acquired Group Company has repaid, or agreed or become liable to repay, any borrowing or other indebtedness in advance of its due date; or

(k) no Acquired Group Company has declared, made or paid any dividend or other distribution;

(l) no Acquired Group Company has allotted or issued any share or loan capital (or any security giving rise to a right over, or an interest in, any share or loan capital) or capitalised any reserves or agreed to do any of the foregoing;

(m) no Acquired Group Company has reduced its share capital, redeemed or repaid any of its share or loan capital or purchased any of its own shares or agreed to do any of the foregoing;

(n) no resolution of the shareholders (or any class of shareholders) of any Acquired Group Company has been passed;

(o) no management or similar charge has become payable or been paid by any Acquired Group Company; and

(p) no payment has been made by any Acquired Group Company to, nor has any Acquired Group Company conferred any benefit (directly or indirectly) on, the Vendor, any past or present director of any Acquired Group Company or any person who is or was at the relevant time an Associate of the Vendor or any such director.

9. OWNERSHIP AND SUFFICIENCY OF ASSETS

9.1 The property, rights and assets owned by or leased or licensed to each Acquired Group Company comprise all the property, rights and assets necessary for the operation of its business as now carried on.

9.2 No Acquired Group Company depends in any material respect upon the use of assets owned by or facilities provided by the Vendor or any Associate of the Vendor.

9.3 All assets included in the Accounts or which have been acquired by an Acquired Group Company or have otherwise arisen since the Accounts Date (other than current assets disposed of or realised in the ordinary and usual course of business) and all other assets which are used by an Acquired Group Company in connection with its business are:

(a) legally and beneficially owned by an Acquired Group Company free from any Encumbrance or any claim to or agreement to grant any Encumbrance; and

(b) where capable of possession, in the possession or under the direct and exclusive control of an Acquired Group Company.

9.4 No Acquired Group Company has acquired or agreed to acquire any asset on terms that the property in that asset does not pass to it until full payment is made, nor is any asset subject to any lease, lease hire, hire purchase, credit sale, deferred payment or conditional sale or purchase agreement or any licence or factoring arrangement.

9.5 There is no Encumbrance outstanding over or in respect of the whole or any part of the undertaking, property or assets of any Acquired Group Company, there is no agreement or commitment to give or create any such Encumbrance and no claim has been made by any person to be entitled to any such Encumbrance.

9.6 No registrable Encumbrance in favour of any Acquired Group Company is void or voidable for want of registration.

9.7 All documents affecting any Acquired Group Company's title to any part of its undertaking, property or assets are in its possession.

10. EQUIPMENT AND VEHICLES

10.1 The equipment and vehicles owned or used by each Acquired Group Company:

(a) are in good repair and condition (subject to fair wear and tear) and in satisfactory working order; and

(b) have been regularly and properly serviced and maintained in accordance with all applicable laws and safety regulations and the terms and conditions of any

applicable finance leases or hire purchase, rental, credit, sale or similar agreements,

and none of them are dangerous or hazardous to health.

10.2 The asset register maintained by each Acquired Group Company contained at sections 09/04/05/45, 09/04/10/40, 09/04/15/40 and 09/04/25/35 of the Data Room sets out a complete and accurate record of all equipment and vehicles owned, held or used by it.

11. STOCK

11.1 The stocks of raw materials, packaging materials and finished goods held by each Acquired Group Company are not excessive and are adequate in relation to the current trading requirements of that Acquired Group Company.

11.2 None of the stock of any Acquired Group Company is obsolete, unusable or unsaleable in the ordinary course of business in accordance with its current price list without rebate or allowance.

12. DEBTS

12.1 None of the debts owing to an Acquired Group Company which are included in the Accounts or which have subsequently been recorded in an Acquired Group Company's accounting records:

(a) has been outstanding for more than 60 days from its due date for payment; or

(b) has been written off or released on terms that the debtor pays less than the full book value of his debt or has proved to be, or is regarded as, wholly or partly irrecoverable; or

(c) is subject to any right of set off or counterclaim or any withholding or other deduction.

12.2 No Acquired Group Company has made, or agreed to make, any loan which has not been repaid in full and there is no debt owing to any Acquired Group Company other than debts which have arisen in the ordinary and usual course of business.

12.3 No Acquired Group Company is entitled to the benefit of any debt, otherwise than as the original creditor and no Acquired Group Company has factored, deferred or discounted any debt or agreed to do so.

13. INSURANCES

13.1 Full and accurate particulars of the insurances maintained by or on behalf of each Acquired Group Company are contained at section 09/03/01/70 of the Data Room.

13.2 In respect of all of the insurances maintained by or on behalf of each Acquired Group Company:

(a) all premiums and any related insurance premium taxes have been duly paid to date;

(b) no Acquired Group Company has terminated, or given notice to terminate, any policy;

(c) so far as the Vendor is aware, no circumstances exist which are likely to give rise to any increase in premiums;

(d) no act, omission, misrepresentation or non-disclosure by any Acquired Group Company has occurred which renders, and, so far as the Vendor is aware, no other circumstances have arisen which are likely to render, any of the policies void, voidable or unenforceable; and

(e) there has been no breach of the terms, conditions and warranties of any of the policies that entitles or could entitle any insurer to decline to pay all or any part of any claim under, or to terminate, any of the policies.

13.3 Full and accurate particulars of all insurance claims made by each Acquired Group Company during the past three years are contained at section 09/03/70 of the Data Room and no such claim has been refused or settled materially below the amount claimed.

13.4 No insurance claim by any Acquired Group Company is outstanding and to the best of the Vendor's knowledge, information and belief, there are no circumstances which are likely to give rise to any such claim.

14. LIABILITIES

14.1 No Acquired Group Company has any liabilities (whether actual or contingent) other than:

(a) liabilities provided for, disclosed or noted in the Accounts; or

(b) liabilities incurred in the ordinary and usual course of business since the Accounts Date.

15. BANK FACILITIES AND BORROWINGS

15.1 Accurate particulars of every financial facility (including loans, overdrafts, derivatives and hedging arrangements) which any Acquired Group Company has outstanding or which is available to any Acquired Group Company are contained at section 09/04/05/25 and 09/04/10/20 of the Data Room. Such particulars include in relation to each such facility:

(a) the amount outstanding under the facility (if any);

(b) any limits or restrictions to which the facility is subject; and

(c) any security provided in connection with the facility.

15.2 As regards each facility referred to in paragraph 15.1:

(a) the terms of the facility have been complied with in all material respects by the Acquired Group Company and, so far as the Vendor is aware, there are no facts or circumstances which are likely to result in the continuation of the facility being affected or prejudiced or in its terms being altered;

(b) no event or circumstance has occurred or arisen or been alleged or, to the best of the Vendor's knowledge, information and belief, is likely to occur which:

(i) constitutes an event of default under, or a breach of the terms of, the facility by an Acquired Group Company (or would do so with the giving of any notice or demand, the lapse of time or the fulfilment of any other condition); or

(ii) gives rise to an obligation to repay, or entitles any person to demand repayment of, any amount outstanding under the facility prior to its due date (or would do so with the giving of any notice or demand, the lapse of time or the fulfilment of any other condition); or

(iii) entitles any person to enforce any security provided in connection with the facility (or would do so with the giving of any notice or demand, the lapse of time or the fulfilment of any other condition); and no person who provides any such facility has given any indication that its terms might be altered or withdrawn.

15.3 None of the facilities referred to in paragraph 15.1 are dependent on the guarantee or indemnity of, or security provided by, any person other than an Acquired Group Company.

15.4 The amount borrowed by any Acquired Group Company from its lenders does not exceed the amount of the facility agreed with such lenders and the total amount borrowed by any Acquired Group Company, from whatever source does not exceed, and has not at any time

exceeded, any limitation on borrowing contained in the articles of association (or equivalent constitutional document) of such Acquired Group Company or in any agreement, deed, document or instrument to which such Acquired Group Company is a party or by which such Acquired Group Company is bound.

15.5 Except for the amounts outstanding under the facilities referred to in paragraph 15.1, no Acquired Group Company:

(a) has outstanding, or has agreed to create or issue, any loan capital;

(b) has incurred, or agreed to incur, any borrowing (other than trade credit incurred in the ordinary course of business) which it has not repaid;

(c) is a party to, or has any obligation under, any loan agreement, debenture, acceptance credit facility, bond, note, bill of exchange, commercial paper, finance lease or other agreement or arrangement the purpose of which is to provide finance or credit; and

(d) has factored, discounted or securitised any of its debts or engaged in any financing of a type which would not be required to be shown or reflected in the Accounts.

15.6 No Acquired Group Company has procured or engaged (directly or indirectly) in any borrowing or financing not required to be reflected in its statutory accounts.

16. BANK ACCOUNTS

16.1 Accurate particulars of all bank accounts maintained by each Acquired Group Company are contained at section 09/04/40 of the Data Room. Such particulars include in the case of each such account:

(a) the name and address of the bank with whom the account is kept and the number and the nature of the account;

(b) all direct debit, standing order and similar authorities applicable to the account; and

(c) a statement showing all payments and receipts on the account for the calendar years 2018, 2019, and 2020, and the credit or debit balance on the account as at the close of business on a date which is not more than two Business Days before the date of this Agreement.

16.2 As regards each bank account referred to in paragraph 16.1, no payment out of the account has been made or authorised since the date of the statement relating to it, except for routine payments in the ordinary and usual course of business.

17. GUARANTEES

No guarantee, indemnity, suretyship or security (whether legally binding or not) has been given or entered into:

(a) by any Acquired Group Company in respect of any obligation or liability of any other person; or

(b) by any other person in respect of any obligation or liability of any Acquired Group Company.

18. GRANTS AND SUBSIDIES

No Acquired Group Company has at any time applied for or received any grant, subsidy or financial aid from any supranational, national, regional, federal, state or local authority or government agency.

19. CAPITAL COMMITMENTS

At the Accounts Date, no Acquired Group Company had any outstanding capital commitments.

20. CONTRACTS

20.1 All of the agreements of whatever nature to which any Acquired Group Company is a party contain enforceable obligations of the relevant Acquired Group Company and, so far as the Vendor is aware, each other party thereto and the terms of each such agreement have been complied with in all material respects by the relevant Acquired Group Company and, to the best of the Vendor's knowledge, information and belief, by each other party to it.

20.2 So far as the Vendor is aware, there exist no grounds for, or circumstances which are likely to lead to, the termination, avoidance, rescission or repudiation of any agreement to which any Acquired Group Company is a party and no notice to terminate, or notice of intention to terminate, any such agreement has been received or given.

20.3 Section 09/30 of the Data Room contains full and accurate particulars of each agreement or arrangement (other than any agreement or arrangement for the employment or engagement of any individual as a director, officer, employee or consultant by any Acquired Group Company) to which any Acquired Group Company is a party and which:

(a) involves or is likely to involve aggregate outstanding expenditure by the relevant Acquired Group Company of more than USD $25,000;

(b) involves or is likely to involve the supply by the relevant Acquired Group Company of products or services which have an aggregate sales value of more than 5 per cent of its turnover for the financial year ended on the Accounts Date; or

(c) is otherwise of material importance to the business, activities or profits of the Acquired Group as a whole,

each a "**Material Agreement**".

20.4 No Acquired Group Company is a party to, or has any liability (present or future) under, any agreement or arrangement which:

(a) is not in the ordinary and usual course of such Acquired Group Company's business or is not wholly on arm's length terms;

(b) other than any agreement or arrangement for the employment or engagement of any individual as a director, officer, employee or consultant by any Acquired Group Company, is of a long-term nature (that is, unlikely to have been fully performed, in accordance with its terms, within six months after the date on which it was entered into or undertaken);

(c) cannot be terminated by it in accordance with its terms, without payment of compensation or special fees, on three months' notice or less;

(d) so far as the Vendor is aware, is likely to result in a loss to it on completion of performance;

(e) so far as the Vendor is aware, cannot readily be fulfilled or performed by it on time and without undue or unusual expenditure of money or application of effort or personnel;

(f) involves payment by or to it by reference to fluctuations in the index of retail prices or any other index or in the rate of exchange for any currency;

(g) other than any agreement or arrangement for the employment or engagement of any individual as a director, officer, employee or consultant by any Acquired Group Company involves, or is likely to involve, an aggregate outstanding or potential expenditure by such Acquired Group Company of more than USD $25,000;

(h) is an agreement to which any director of any Acquired Group Company or the Vendor (or, where applicable, a director of the Vendor) is a party or in which the Vendor (or any Associate of the Vendor) is interested or from which any such person takes benefit;

(i) requires it to pay any commission, finders' fee, royalty, brokerage, other commission or the like;

(j) is a currency and/or interest rate swap agreement, hedging or derivative transaction, an asset swap, future rate or forward agreement, interest cap, collar and/or floor agreement, or other exchange and/or rate protection transaction, or any option with respect to any such transaction or any similar transaction;

(k) save in respect of any Material Agreement, is having, or is likely to have, a material effect on the financial or trading position or prospect of any Acquired Group Company;

(l) directly or indirectly restricts its freedom to carry on the whole or any part of its business, or to use or exploit any of its assets, in any part of the world in such manner as it thinks fit;

(m) can be terminated as a result of the sale of the Shares by the Vendor to the Purchaser;

(n) involves partnership, joint venture, consortium joint development, shareholders or similar arrangements;

(o) involves agency, distributorship, franchising, marketing rights, information sharing, manufacturing rights, consultancy, servicing, maintenance, inspection or testing;

(p) involves any Governmental Entity's material rights or that requires consent, approval or waiver of, or notice to, a Governmental Entity, including any contracts with any agents, representatives, consultants or third-party vendor or intermediaries of any kind that provide any services on behalf of the Company that relate to or involve contact, directly or indirectly, with any Governmental Entity;

(q) involves hire purchase, conditional rate, credit sale, leasing, hire or similar arrangements, save where such arrangements are not material to the business of the Acquired Group as a whole; or

(r) involves or, so far as the Vendor is aware, is likely to involve obligations or liabilities which are of an unusual or exceptional nature or magnitude.

20.5 No bid proposal, offer, tender or the like is outstanding which is capable of being converted into an obligation of any Acquired Group Company by an acceptance or other act of some other person.

20.6 Full and accurate particulars of each trade association of which any Acquired Group Company is a member are set out in the Disclosure Letter. Each Acquired Group Company has fully complied in all material respects with the rules and regulations of each trade

association of which it is a member and has no obligation or liability in relation to any such trade association except for the payment of annual subscription or membership fees.

20.7 The Acquired Group has complied with, and continues to comply with, the exclusivity obligations and the minimum purchase requirements under the supply and distribution agreement dated 4 August 2013 between Contura Deutschland GmbH and Contura International A/S (as amended).

20.8 The distribution agreement dated 1 July 2015 entered into between Mylan Teoranta Ltd and Contura Deutschland GmbH has expired and there are no liabilities subsisting thereunder.

21. TRADING

21.1 No Acquired Group Company uses any business or trading name other than its corporate name.

21.2 There is no single customer or supplier:

(a) on whom any Acquired Group Company is substantially dependent; or

(b) the cessation of trading with whom would have a material and adverse effect on the business of any Acquired Group Company; or

(c) who accounted for more than 5 per cent of the aggregate amount of the sales or (as the case may be) the purchases made by the Acquired Group as a whole during the financial year ended on the Accounts Date or during the period since the Accounts Date,

(a "**Material Customer or Supplier**") and, for this purpose, customers who are connected with each other shall be treated as a single customer and suppliers who are connected with each other shall be treated as a single supplier.

21.3 During the past two years, no Material Customer or Supplier has:

(a) ceased, or threatened or indicated an intention to cease, trading with any Acquired Group Company;

(b) reduced significantly, or threatened or indicated an intention to reduce significantly, its trading with any Acquired Group Company; or

(c) made any material change (apart from normal price changes) to the basis or terms on which it is prepared to trade with any Acquired Group Company.

21.4 To the best of the Vendor's knowledge, information and belief, no Material Customer or Supplier is likely, as a result of the entry into or completion of this Agreement:

(a) to cease trading, or to reduce significantly its trading, with any Acquired Group Company; or

(b) to make, or to seek to impose or negotiate, any material change (apart from normal price changes) to the basis or terms on which it is prepared to trade with any Acquired Group Company.

21.5 Except for a condition or warranty implied by law, no Acquired Group Company has:

(a) given any guarantee, indemnity or warranty, or made any representation, in respect of any product or service sold or supplied or contracted to be sold or supplied by it; or

(b) accepted any liability or obligation to service, repair, maintain, take back or otherwise do or not do anything in respect of any such product or service that would apply after the product or service has been delivered or supplied.

21.6 No claim or complaint that any product or service sold or supplied by any Acquired Group Company was faulty or defective or not fit for its intended use or has caused personal injury or damage to property has been made or threatened by any customer of any Acquired Group Company during the past 12 months and, to the best of the Vendor's knowledge, information and belief, there are no circumstances which are likely to give rise to any such claim or complaint.

21.7 During the past 12 months, there has been no material dispute between any Acquired Group Company and any of its customers or suppliers and no such material dispute is outstanding or expected.

22. ARRANGEMENTS WITH CONNECTED PARTIES

22.1 No Acquired Group Company is a party to any agreement, transaction, arrangement or understanding (whether legally binding or not) in which the Vendor or any Connected Party is interested (whether directly or indirectly).

22.2 There is no indebtedness or other liability (actual or contingent) nor any indemnity, guarantee, suretyship or security arrangement outstanding between any Acquired Group Company and the Vendor or any Connected Party (other than, in the case of any current director, officer, employee or consultant of any Acquired Group Company, remuneration accrued (but not yet due for payment) in respect of the month in which the Completion Date falls or for reimbursement of business expenses incurred during such month).

22.3 Neither the Vendor nor, so far as the Vendor is aware, any Connected Party is entitled to any claim of any nature against any Acquired Group Company or has assigned to any person the benefit of any claim against any Acquired Group Company to which it would otherwise be entitled.

22.4 For the purposes of this paragraph 22, a "**Connected Party**" means:

(a) any person who is beneficially interested in any part of the share capital of any Acquired Group Company;

(b) any current director, officer, employee or consultant of any Acquired Group Company; and

(c) any Associate of the Vendor or any person referred to in any of sub paragraphs 22.4(a) and (b).

23. EFFECT OF SALE

23.1 The sale of the Shares by the Vendor to the Purchaser in accordance with this Agreement will not:

(a) cause any Acquired Group Company to lose the benefit of any right or privilege it presently enjoys or result in the imposition of any obligation on any Acquired Group Company (including any obligation to pay any sum to any person); or

(b) relieve any person from any obligation to any Acquired Group Company (whether contractual or otherwise) or enable any person to determine any such obligation or any right or benefit enjoyed by any Acquired Group Company or to exercise any other right in respect of any Acquired Group Company or give any person a right to terminate or vary any agreement or arrangement to which any Acquired Group Company is a party; or

(c) so far as the Vendor is aware, cause any person who has business dealings with or gives credit to any Acquired Group Company not to continue to do so on the same basis; or

(d) result in a breach of, or conflict with, any provision of the memorandum or articles of association (or equivalent constitutional document) of any Acquired Group Company; or:

(e) result in a breach of, or constitute a default under:

(i) any order, judgment, decree or decision of any court, governmental agency or other body by which any Acquired Group Company is bound or to which it is subject; or

(ii) any agreement or arrangement to which any Acquired Group Company is a party or by which it is bound; or

(f) so far as the Vendor is aware, result in any officer or senior employee of any Acquired Group Company leaving its employment (save in respect of (i) the Transferred-out Employees and (ii) those officers who are to resign at Completion in accordance with Part 1 of Schedule 4); or

(g) result in any indebtedness of any Acquired Group Company becoming due and payable, or becoming capable of being declared due and payable, prior to its normal due date or in any financial facility outstanding or available to any Acquired Group Company being withdrawn or affected or its terms being altered; or

(h) result in the creation, imposition, crystallisation or enforcement of any Encumbrance on any of the assets of any Acquired Group Company.

23.2 No person has received or is entitled to receive from any Acquired Group Company any finder's fee, success fee, brokerage or other commission in connection with the sale and purchase of the Shares pursuant to this Agreement.

24. PERMITS

24.1 Full and accurate particulars of all Permits held by each Acquired Group Company, including any Permits obtained or to be obtained by an Acquired Group Company in the Pre-Completion Reorganisation or otherwise on or around Completion as contemplated by this Agreement, are contained at section 09/03/45/10/B, 09/03/30/05, 09/03/30/10 and 09/03/30/15 for the Bulkamid distribution agreements, 09/88/05/02/03 for the PMA and 09/10/50 for the Wholesale Distribution Authorisation of the Data Room.

24.2 Each Acquired Group Company has, and in the last three years had, all Permits (including Marketing Authorisations) which are, or were, necessary in any jurisdiction for the proper and efficient operation of its business as now carried on, or as was carried on in the last three years, and for its ownership or use of any asset owned or used by it in connection with its business as now carried on, or as was carried on in the last three years, and all such Permits are valid, subsisting, in full force and effect.

24.3 Each Acquired Group Company has fully complied in all material respects with the terms of each Permit held by it and, to the best of the Vendor's knowledge, information and belief, no circumstances currently exist that are likely to lead to any Permit held by any Acquired Group Company being suspended, cancelled, revoked, modified or not renewed on substantially the same terms (whether as a result of the entry into or completion of this Agreement or otherwise).

24.4 To the best of the Vendor's knowledge, information and belief:

(a) there is no audit, investigation, inquiry or proceeding outstanding which is likely to result in any Permit held by any Acquired Group Company being suspended, cancelled, revoked, modified or not renewed on substantially the same terms;

(b) no such audit, investigation, inquiry or proceeding is pending or threatened; and

(c) there are no circumstances which are likely to give rise to any such audit, investigation, inquiry or proceeding.

24.5 The Acquired Group Companies have not made any false statement in any applications or filings for any Permit.

25. LEGAL COMPLIANCE

25.1 The Company and its officers, agents and employees (past and present) in the course of their respective duties, have complied in all material respects with all applicable laws, bye laws and regulations.

25.2 No Acquired Group Company has received any notice, request for information, demand or other communication (whether official or otherwise) from any court, tribunal, arbitrator, Governmental Entity or administrative or regulatory body regarding any alleged, actual or potential material violation of, or material failure to comply with, any applicable law, bye law or regulation or requiring it to take or refrain from taking any action.

25.3 To the extent that any Product has been developed, manufactured, marketed, sold or distributed by an Acquired Group Company, that Acquired Group Company did so in compliance with all Permits held by an Acquired Group Company or a member of the Vendor's Group and Owned Marketing Authorisations relating to such Products as well as all applicable regulations, laws or applicable guidelines, including, to the extent applicable, Current Good Manufacturing Practices, GMP Guidelines, good laboratory practice and/or good clinical practice regulations and guidance issued by relevant Governmental Entities. The Acquired Group Companies or the relevant members of the Vendor's Group have maintained or procured all records, studies and other documentation, and have submitted all required notices and reports to the applicable Governmental Entities in a timely manner (including adverse experience reports and annual reports), reasonably necessary to satisfy and demonstrate compliance in all material respects with the requirements of any relevant regulatory entity where required in relation to such activities of the development, manufacturing, marketing, sale or distribution of the Products as are carried on by the Acquired Group Companies and the members of the Vendor's Group.

25.4 Save as disclosed in section 09/20/01/07 of the Data Room, the Acquired Group Companies have not in the previous three years been required by any Governmental Entity to undertake, nor have the Acquired Group Companies voluntarily undertaken, any Product recall, withdrawal, correction or removal and, to the best of the Vendor's knowledge, information and belief, there are, and have been in the previous three years, no facts or

circumstances which would require, or would have required, any such recall, withdrawal, correction or removal of any Product under applicable laws. No claims for damages based on defective Products have been asserted against any of the Acquired Group Companies which are pending, excluding, for the avoidance of doubt, claims in the course of ordinary claims handling procedure.

25.5 The Vendor has disclosed in section 09/20/01/02, 09/20/01/05, 09/20/01/07, 09/20/01/08 and 09/88/05/FDA Correspondence of the Data Room to the Purchaser all warning letters, adverse event reports, fines and current and past audits by regulatory authorities relating to any Bulkamid Product that were addressed to or directed to an Acquired Group Company or a member of the Vendor's Group and has made available to the Purchaser true, accurate and complete copies of any such documentation and related material correspondence with any regulatory entity.

25.6 No Acquired Group Company nor any officer, directors or other employees of the Acquired Group Companies has been convicted of any crime or engaged in any conduct that has resulted, or would reasonably be expected to result, in debarment or exclusion under applicable legal requirements. No claims, actions, proceedings or investigations that would reasonably be expected to result in such a debarment or exclusion are, to the best of the Vendor's knowledge, information and belief, pending or threatened, against the Acquired Group Companies or, to the best of the Vendor's knowledge, information and belief, any of their respective officers, directors or employees.

25.7 The Acquired Group Companies have in place policies, systems, controls and procedures designed to prevent it, any officer, directors or other employees from violating any anti-corruption or laws and regulations regarding the provision of undue benefits to healthcare professionals.

26. PRODUCTS

26.1 All Acquired Group Companies hold (to the extent required for their business activities as currently carried on) for each of the Products all Permits required for the development, manufacture, marketing, sale and distribution of such Product in all countries in which such Product is currently, or has been in the past 3 years, developed, manufactured, marketed, sold or distributed by such Acquired Group Company (as applicable).

26.2 The Products (not including Regurin) comply in all respects with all applicable laws, regulations, safety requirements and technical norms, in particular regarding any regulations, laws or applicable guidelines for medicinal products and/or medical devices. The Products (not including Regurin) have been manufactured in accordance with the applicable product specifications and in compliance with applicable laws and regulations, including to the extent applicable, Current Good Manufacturing Practice in all material respects.

26.3 To the best of the Vendor’s knowledge, information and belief, the Regurin Products comply in all respects with all applicable laws, regulations, safety requirements and

technical norms, in particular regarding any regulations, laws or applicable guidelines for medicinal products. To the best of the Vendor's knowledge, information and belief, the Regurin Products have been manufactured in accordance with the applicable product specifications and in compliance with applicable laws and regulations, including to the extent applicable Current Good Manufacturing Practice in all material respects.

26.4 Section 9/03/50 of the Data Room lists all Granted Marketing Authorisations and shows for each Granted Marketing Authorisation in relation to the Bulkamid Product and Rectamid only (i) whether it is an Owned Marketing Authorisation or a Licensed Marketing Authorisation, (ii) the territory to which it applies, (iii) the relevant authority, (iv) the person to which such Granted Marketing Authorisation is granted and (v) if applicable, the term/expiry date of such Granted Marketing Authorisation.

26.5 The Acquired Group Companies (or members of the Vendor's Group to the extent relating to Marketing Authorisations which pursuant to the applicable law are to be held by the manufacturer, as defined in applicable laws) are the sole and exclusive registered holders of the Owned Marketing Authorisations and have not granted any right of reference or other right with respect to such Owned Marketing Authorisations to any third party.

26.6 All Licensed Marketing Authorisations are held by third parties either on behalf of an Acquired Group Company or a member of the Vendor's Group or are subject to a right to have returned such Licensed Marketing Authorisation to an Acquired Group Company or a member of the Vendor's Group pursuant to a written contractual obligation.

26.7 All Owned Marketing Authorisations are valid and have been issued pursuant to applications or filings made in accordance with all applicable laws and regulations. All applications for renewal, for subsequent admission and other filings necessary to obtain or maintain the right to market the Bulkamid Products which are the subject of an Owned Marketing Authorisation have been filed in due time. All application and renewal fees payable by the Acquired Group Companies regarding the Granted Marketing Authorisations have been paid when due. All conditions imposed by the relevant regulatory authorities in connection with the Owned Marketing Authorisations have been complied with. So far as the Vendor is aware, there is no pending action or investigation against any of the Acquired Group Companies by any Governmental Entity or by any third party to withdraw, revoke, suspend or limit the present scope of use of any Owned Marketing Authorisation nor has any Acquired Group Company received written notice explicitly threatening to commence such actions or investigations.

26.8 The Owned Marketing Authorisations in respect of the Products are (or, to the extent any Product is no longer manufactured, distributed, marketed or sold by the Acquired Group Company but was manufactured, distributed, marketed or sold in the previous five years, were at the relevant time) in full force and effect. No changes to the Owned Marketing Authorisations are pending, have been applied for, are intended to be applied for, except for changes in the ordinary course, or have been threatened by any competent authority in writing. None of the Owned Marketing Authorisations expires within the 12 months, or will have to be deregistered within the 12 months, following Completion pursuant to a provision

by which any Owned Marketing Authorisation either automatically expires by rule of law or where the applicable law requires the notification to or registration with an authority that a medicinal product or medical device has not been placed into the market within the time period of the Owned Marketing Authorisation being granted and which may lead to the cessation of the validity of such Owned Marketing Authorisation, with the exception of such of the Owned Marketing Authorisations that will expire within such 12-month period, but for which an extension of such Owned Marketing Authorisation has been applied for by an Acquired Group Company or a member of the Vendor's Group. None of the Owned Marketing Authorisations has been issued by a competent authority or Governmental Entity with requirements, ancillary provisions or any other additional provision which may in any way restrict or limit the use of such Owned Marketing Authorisation.

26.9 So far as the Vendor is aware, the Licensed Marketing Authorisations are in full force and effect. To the best of the Vendor's knowledge, (i) no changes to the Licensed Marketing Authorisations are pending, have been applied for, are intended to be applied for, except for changes in the ordinary course, or have been threatened by any competent authority in writing; (ii) none of the Licensed Marketing Authorisations expires within the 12 months, or will have to be deregistered within the 12 months, following Completion pursuant to a provision by which any Licensed Marketing Authorisation either automatically expires by rule of law or where the applicable law requires the notification to or registration with an authority that a medicinal product or medical device has not been placed into the market within the time period of the Licensed Marketing Authorisation being granted and which may lead to the cessation of the validity of such Licensed Marketing Authorisation, with the exception of such of the Licensed Marketing Authorisations that will expire within such 12-month period, but for which an extension of such Licensed Marketing Authorisation has been applied for by an Acquired Group Company or a member of the Vendor's Group; and (iii) none of the Licensed Marketing Authorisations has been issued by a competent authority or Governmental Entity with requirements, ancillary provisions or any other additional provision which may in any way restrict or limit the use of such Licensed Marketing Authorisation.

26.10 Sections 09/03/50, 09/81/05 and 09/88/05/02 of the Data Room lists for the Owned Marketing Authorisations any and all regulatory actions, including any filings, renewals or updates, required to be taken with respect to any Owned Marketing Authorisation by any of the Acquired Group Companies in the 6 months after the Completion Date.

26.11 All applications and filings for any Owned Marketing Authorisations or other regulatory approval of any Governmental Entity have been made without breach of any contractual obligation of the Acquired Group Companies in relation to any third party and, to the best of the Vendor's knowledge, information and belief, without infringement or misappropriation of any Intellectual Property right of any third party. The Acquired Group Companies have not made any material false statement, omission or other misrepresentation in any such applications or filings.

26.12 In relation to the Bulkamid Product, sections 09/81/05, 09/81/05/07, 09/88/05/02, 09/91/10 and 09/81/10/Countries of the Data Room contains a complete and correct list of the (i)

regulatory dossiers supporting the Owned Marketing Authorisations (the "**Registered Product Dossiers"**) and (ii) the regulatory dossiers supporting pending applications by the Acquired Group Companies or members of the Vendor's Group for Marketing Authorisations for the indications and intended purposes licenced under the Know-how Licence Agreement (the "**Unregistered Dossiers"**, together with the Registered Product Dossier the "**Dossiers"**). All Registered Product Dossiers supporting Owned Marketing Authorisations are up to date and any information, fact or development that needs to be registered with or notified to a competent authority or Governmental Entity, in particular in relation to the Owned Marketing Authorisations, has been duly registered or notified. None of the Dossiers relating to the Owned Marketing Authorisations is encumbered in any way, nor does any person other than the relevant Acquired Group Company or member of the Vendor's Group have any rights to part or all of the Dossiers.

26.13 All clinical trials relating to any Product that are required to be registered or published have been properly and duly registered or published, as the case may be.

27. LITIGATION, INVESTIGATIONS AND DISPUTES

27.1 No Acquired Group Company, (to the extent relating to any Acquired Group Matter) no member of the Vendor's Group, nor any person for whose acts or defaults the Company may be liable is currently or has in the previous five years been involved (whether as claimant, defendant or otherwise) in any claim, legal action, proceeding, suit, litigation, prosecution, mediation or arbitration in any jurisdiction (other than collection of debts owed to an Acquired Group Company in the ordinary course of business).

27.2 No claim, legal action, proceeding, suit, litigation, prosecution, mediation or arbitration in any jurisdiction involving any Acquired Group Company, (to the extent relating to any Acquired Group Matter) member of the Vendor's Group, or any person for whose acts or defaults the Acquired Group Company may be liable (whether as claimant, defendant or otherwise) is to the best of the Vendor's knowledge, information and belief pending, threatened or expected and, to the best of the Vendor's knowledge, information and belief, there are no circumstances which are likely to give rise to any such claim, legal action, proceeding, suit, litigation, prosecution, mediation or arbitration.

27.3 There is no outstanding order, judgment, decree, award or decision given or made by any court, tribunal, arbitrator, governmental agency or authority or administrative or regulatory body in any jurisdiction against or otherwise affecting any Acquired Group Company (or any of their properties, assets or operations), (to the extent relating to any Acquired Group Matter) any member of the Vendor's Group, or any person for whose acts or defaults the Acquired Group Company may be vicariously liable. No Acquired Group Company nor (to the extent relating to any Acquired Group Matter) any member of the Vendor's Group has given any undertaking, commitment or assurance to any court, tribunal, arbitrator, governmental agency or authority or administrative or regulatory body in any jurisdiction which remains in force.

27.4 No Acquired Group Company, (to the extent relating to any Acquired Group Matter) no member of the Vendor's Group, nor any person for whose acts or defaults an Acquired Group Company may be liable is, or has in the last five years been, the subject of any investigation, indictment, suspension, debarment, audit, inquiry or disciplinary or enforcement proceeding by, or has received any request for information from, any Governmental Entity or any administrative or regulatory body in any jurisdiction, to the best of the Vendor's knowledge, information and belief no such investigation, inquiry proceeding or request is pending or threatened and, to the best of the Vendor's knowledge information and belief, there are no circumstances which are likely to give rise to such investigation, indictment, information suspension, debarment, audit, inquiry, proceeding or request.

27.5 There is no dispute with any Governmental Entity or any administrative or regulatory body in any jurisdiction in relation to any of the properties, assets, operations or affairs of any Acquired Group Company or (to the extent relating to any Acquired Group Matter) member of the Vendor's Group and, to the best of the Vendor's knowledge, information and belief, there are no circumstances which are likely to give rise to any such dispute.

28. ANTI-CORRUPTION

28.1 In this paragraph 28 the term "**Associated Person**" means, a person who provides or has provided goods or performs or has performed services in any capacity (past or present) for or on behalf of the Company, including directors, officers, employees, contractors, agents and distributors.

28.2 No Acquired Group Company, nor (so far as the Vendor is aware) any Associated Person of any Acquired Group Company, has either directly or indirectly:

(a) violated (or is violating) any applicable Anti-corruption Laws; or

(b) offered, given, promised to give, or authorised the giving of money or anything of value to any Government Official or to any other person for the purpose of:

(i) corruptly or improperly influencing any act or decision of any person or Government Official in their official or business capacity;

(ii) inducing any person or Government Official to do or omit to do any act in violation of their duties;

(iii) securing any improper advantage;

(iv) inducing any person to use his or her respective influence with a Government Official to affect any act or decision of a governmental or regulatory body in order to assist any Acquired Group Company in obtaining business from, retaining business with, or directing business to, any person; or

(v) unlawfully or improperly obtaining business or an improper advantage.

28.3 Each Acquired Group Company has in place:

(a) controls, systems and procedures to ensure compliance with all applicable Anti-corruption Laws; and

(b) policies and procedures designed to prevent it or any of its Associated Persons, from undertaking any conduct which would result in an Acquired Group Company committing an offence under section 7 of the UKBA and which apply the principles set out in the current guidance published by the Secretary of State pursuant to section 9 of the UKBA.

28.4 To the best of the Vendor's knowledge, information and belief, there have been no false or fictitious entries made in the books and records of any Acquired Group Company relating to any unlawful:

(a) offer, payment, promise to pay or authorisation of the payment of any money; or

(b) offer, gift, promise to give, or authorisation of the giving of anything of value, including any bribe, kickback, or other illegal or improper payment.

28.5 Within the last five years, no Acquired Group Company nor (so far as the Vendor is aware) any Associated Person of any Acquired Group Company has:

(a) been under internal investigation by any party, or the subject of any inquiry or allegations of any kind, in connection with alleged or possible violations of any applicable Anti-corruption Laws;

(b) received any notice, inquiry, or other communication from, or made a voluntary disclosure to, any Governmental Entity including the U.S. Department of Justice, the U.S. Securities Exchange Commission, the U.K. Serious Fraud Office, or other criminal, civil, or administrative enforcement agency of any jurisdiction in connection with alleged or possible violations of any applicable Anti-corruption Laws; or

(c) received any whistle-blower report of alleged or possible violations of any applicable Anti-corruption Laws; and

(d) to the best of the Vendor's knowledge, information and belief there are no circumstances which are likely to give rise to any of the foregoing.

29. COMPETITION

No Acquired Group Company nor, so far as the Vendor is aware, any person for whose acts or defaults any Acquired Group Company may have vicarious or successive liability is or has ever been:

(a) a party to any agreement, arrangement, understanding, transaction, conduct or practice, and is not, nor has ever been, engaged or concerned in any practice or conduct (unilateral or otherwise) which involved or constituted an infringement or offence under Competition Law;

(b) affected by any existing or pending report, decision, judgment, order, undertaking, commitment, assurance or similar measure made, taken or obtained by or given to any tribunal or court in relation (partly or wholly) to Competition Law or any Competition Authority, nor so far as the Vendor is aware are there any grounds for believing that it may be so affected (and to the extent that such measures are in existence, each Acquired Group Company has fully complied with them);

(c) the subject of, or involved in, any investigation, inquiry or other proceeding (whether formal or informal or, so far as the Vendor is aware, pending or otherwise) by or before any Governmental Entity in relation (partly or wholly) to Competition Law or any Competition Authority, nor is it in receipt of any complaint from any third party alleging breach of Competition Law, nor so far as the Vendor is aware are there any grounds for believing that it may become the subject of any such proceeding or receive any such complaint;

(d) involved (directly or indirectly) in making or threatening to make any complaint or other communication to any Competition Authority or commencing or threatening to commence any proceedings before any tribunal or court in relation (partly or wholly) to Competition Law; or

(e) in receipt of any payment, guarantee, financial assistance or other form of aid which was, or is, in contravention of or was not, but should have been, notified under any applicable subsidy regime including Article 107 of the Treaty of the Functioning of the European Union or any similar subsidy laws which are or have been applicable to any Acquired Group Company, nor is any such aid currently being applied for with a view to benefiting any Acquired Group Company.

30. EMPLOYMENT

30.1 In this paragraph 30:

(a) "**Contractors**" means those individuals or personal service companies listed in Part B of Schedule 13;

(b) "**Employment Legislation**" means legislation and regulation applying in England and Wales, France or Germany, including rules provided by local law, a Collective Bargaining Agreement (as applicable) and social security regulation, whether or not arising under European treaty provisions or directives, or the United States (as applicable) and relating to contractual or other relations between employers and their employees or Workers or Representatives of those employees or Workers;

(c) "**Employees**" means those individuals listed at Part A of Schedule 13;

(d) "**Representative**" means any or all of:

(i) an appropriate representative (within the meaning of the Transfer Regulations or the Trade Union and Labour Relations (Consolidation) Act 1992 and/or the French Labour Code);

(ii) a negotiating representative or an information and consultation representative (within the meaning of the Information and Consultation of Employees Regulations 2004 and/or the French Labour Code);

(iii) an information and consultation representative or an employees' representative (within the meaning of the Transnational Information and Consultation of Employees Regulations 1999 and/or the French Labour Code);

(iv) a staff association, works council or trade union representative; or

(v) any health and safety committee under the Health and Safety (Consultation with Employees) Regulations 1996 and/or under the French Labour Code; and

(e) "**Worker**" means a worker within the meaning of:

(i) regulation 2(1) of the Working Time Regulations 1998;

(ii) section 2 paragraph 2 of the German Working Time Act; or

(iii) the French Labour Code and French case-law.

30.2 Sections 09/02/01/25/02, 09/02/10/05, 09/02/15/02 and 09/02/25/10 of the Data Room contains, in respect of each Employee, accurate anonymised details of their ages, length of service, rates of remuneration, benefits in kind, bonuses, commissions and any other performance related remuneration, any allowances, notice periods, pensions, health insurance and life assurance.

30.3 Save for the Employees and Contractors, as at the date of this Agreement, there are no other individuals employed or engaged by any Acquired Group Company.

30.4 True and complete copies of all material documents relating to the terms of employment or engagement of each Employee or person engaged by each Acquired Group Company including all service contracts, contracts for services, employment agreements, written particulars of employment, staff handbooks, staff manuals, benefit plans, disciplinary and grievance procedures, personnel policies and codes of conduct are set out in sections 09/02/01/25, 09/02/10, 09/02/15 and 09/02/25 of the Data Room.

30.5 No Acquired Group Company is a party to or bound by, or is proposing to introduce, in respect of any Employee or person engaged by any Acquired Group Company any incentive scheme (including any share option arrangement, commission, profit sharing or bonus scheme).

30.6 All contracts of employment between any Acquired Group Company and any Employee are terminable by an Acquired Group Company giving not less than the applicable minimum period of notice specified in section 86 of the Employment Rights Act 1996 or local legislation (such as the French Labour Code and the Collective Bargaining Agreement applicable to Contura France SARL) and no Acquired Group Company is contractually obliged to make any payment (save in respect of a payment in lieu of notice) as a consequence of the termination of any such contract.

30.7 All contracts of engagement between any Acquired Group Company and any person engaged by any Acquired Group Company are terminable by giving no more than one month's notice and no Acquired Group Company is contractually obliged to make any payment as a consequence of the termination of any such contract.

30.8 Anonymised details of all Employees who have been absent from work or who have failed to provide services for more than 12 consecutive weeks (whether on maternity, paternity, shared parental or parental leave, unpaid leave, long-term sickness, secondment, authorised annual leave or otherwise) in the 12 month period ending on the date of this Agreement are contained in the Disclosure Letter.

30.9 No offer of employment or engagement has been made by any Acquired Group Company to any person:

(a) which has not been accepted or which otherwise remains outstanding at the date of this Agreement; or

(b) which has been accepted but where the employment or engagement has not commenced.

30.10 Save in respect of the Transferred-out Employees, no Employee or person engaged by any Acquired Group Company has given or received notice terminating or purporting to terminate his employment or engagement.

30.11 No Employee or person engaged by any Acquired Group Company:

(a) will be entitled to give notice terminating his employment or engagement as a result of the execution of this Agreement or the sale and purchase of the Shares or any ancillary matter; or

(b) to the best of the Vendor's knowledge, information and belief, intends to resign or terminate his employment or engagement or is likely to resign or terminate his employment or engagement as a result of the execution of this Agreement or the sale and purchase of the Shares or any ancillary matter.

30.12 No Acquired Group Company has operated or intends to operate any short time working scheme or arrangement or any redundancy or redeployment scheme or arrangement (whether formal or informal, contractual or non-contractual) which provides for payments greater than those required by statute or for notice periods greater than those set out in contracts of employment or engagement.

30.13 Since the Accounts Date there has been no change in the rate of remuneration, benefits or other terms of employment or engagement of any Employee or person engaged by any Acquired Group Company.

30.14 There is no amount owing to any Employee, any person engaged by any Acquired Group Company or any person who was previously a person employed or engaged by any Acquired Group Company other than remuneration or holiday pay accrued (but not yet due for payment) in respect of the calendar month in which the Completion Date falls or for reimbursement of business expenses incurred during such month.

30.15 There is no amount owing to any Acquired Group Company by any Employee, any person engaged by any Acquired Group Company or by any person who was previously a person employed or engaged by any Acquired Group Company.

30.16 No Employee nor any person engaged by any Acquired Group Company is entitled to:

(a) any accrued but unpaid holiday pay in respect of the relevant Acquired Group Company's current or any previous holiday years; or

(b) any accrued but untaken holiday leave in respect of the relevant Acquired Group Company's previous holiday years.

30.17 Each Acquired Group Company has afforded all Workers the right to paid holiday under regulations 13 and 13A of the Working Time Regulations 1998 or other applicable

Employment Legislation, including the French Labour Code and the Collective Bargaining Agreement applicable to Contura France SARL, and has not deterred or prevented any Worker from taking such holiday whether or not requested.

30.18 In the two years preceding the date of this Agreement, in respect of each of the Workers, all holiday pay for periods of holiday taken under regulation 13 of the Working Time Regulations 1998 or other applicable Employment Legislation has been calculated and paid in accordance with Directive 2003/88/EC of the European Parliament and of the Council of 4 November 2003 concerning certain aspects of the organisation of working time and other applicable Employment Legislation.

30.19 There is no dispute (including an industrial dispute) between any Acquired Group Company and any Employee or person engaged by any Acquired Group Company (or any person who claims to be so employed or engaged) nor any person who was previously a person employed or engaged by any Acquired Group Company (or any person who claims to have been so employed or engaged) or any Representative of any such person and, to the best of the Vendor's knowledge, information and belief, there are no circumstances likely to give rise to any such dispute.

30.20 No Acquired Group Company has recognised, or has, so far as the Vendor is aware, done any act which might be construed as recognition of, any trade union or works council nor are any steps being taken by any Employees or other individuals to procure such recognition.

30.21 There are no agreements or arrangements in place between any Acquired Group Company and any Representative or any other person or body representing any Employees.

30.22 No Acquired Group Company has in the past 12 months given notice of any redundancies to the relevant Secretary of State nor started consultations with any trade union or appropriate representatives under the provisions of Chapter II of the Trade Union and Labour Relations (Consolidation) Act 1996, or other applicable Employment Legislation, nor failed to comply with any obligation under Chapter II of that Act or any other applicable Employment Legislation.

30.23 Each Acquired Group Company has complied with:

(a) all obligations imposed on it under contract, at common law, by local regulation, Employment Legislation, social security regulation and by statute in relation to the Employees, any person engaged by any Acquired Group Company and any Representative;

(b) all agreements or arrangements with any Representative;

(c) all customs and practices for the time being dealing with relations between any Acquired Group Company and any Employee, any person engaged by any Acquired Group Company and between any Acquired Group Company and any Representative;

(d) all relevant orders, declarations and awards (including settling any outstanding claims) made under any Employment Legislation or code of conduct and practice affecting the terms of employment or engagement of any Employee or any person engaged by any Acquired Group Company, or any person who was previously a person employed or engaged by any Acquired Group Company; and

(e) all relevant declaration and payments in due time to any relevant authority, including social security authorities.

30.24 There are no enquiries or investigations existing or, so far as the Vendor is aware, pending or threatened affecting any Acquired Group Company by the Equality and Human Rights Commission or other similar body. No questionnaire has been served on any Acquired Group Company under any Employment Legislation by any Employee.

30.25 Every Employee and person engaged by any Acquired Group Company who requires permission to work in the United Kingdom, France, Germany or the United States (as the case may be) has current and appropriate permission to work in the United Kingdom, France, Germany or the United States (as applicable).

30.26 No Acquired Group Company has, in the past 12 months, materially altered (whether taking effect prior to, on or after the Completion Date) any of the terms of employment or engagement of any Employee or any person engaged by any Acquired Group Company other than in the normal course of business.

30.27 No Acquired Group Company has offered, promised or agreed to any future variation in the contract of any Employee or any person engaged by any Acquired Group Company.

30.28 Every Employee and person engaged by any Acquired Group Company is bound by a written agreement containing terms which prohibit him from divulging any Business Information.

30.29 No Employee's employment, nor any other person's engagement, with any Acquired Group Company is, so far as the Vendor is aware, in breach of any court order or any express or implied terms of any contract or, so far as the Vendor is aware, other obligation binding on said individual with a third party.

30.30 No Acquired Group Company has, during the past three years, entered into any agreement or arrangement which involved or may involve it being a party to a relevant transfer within the meaning of the Transfer Regulations or equivalent local law in France, Germany or the United States (as applicable).

30.31 Save in respect of the Transferred-out Employees, no Acquired Group Company has transferred, or agreed to transfer, any person employed or engaged by such Acquired Group Company from working for such Acquired Group Company, or induced any employee or Worker to resign their employment with such Acquired Group Company.

30.32 No person employed or engaged by any Acquired Group Company is subject to a current disciplinary warning or procedure.

30.33 Where applicable each Acquired Group Company has complied with any relevant requirements of Section 188 CA 2006 or equivalent local law in France, Germany or the United States (as applicable).

31. RETIREMENT BENEFITS

31.1 Apart from the Pension Scheme, there is no agreement, scheme or arrangement under which any Acquired Group Company has or may have any obligation (whether or not legally binding) to provide or contribute towards pension, lump-sum, death, ill-health, disability or accident benefits in respect of any present or former employees or directors or their dependants. No proposal or announcement has been made, and no undertaking or assurance (whether or not legally binding) has been given, to any person as to the introduction of any such agreement, scheme or arrangement or, apart from the Pension Scheme, as to the introduction, continuance, increase or improvement of any pension, lump-sum, death, ill health, disability or accident benefits.

31.2 Sections 09/02/01/20 and 09/02/10/15 of the Data Room contain accurate details of the rates of contributions which it and the members are currently paying to the Pension Scheme and the definition(s) of earnings used to calculate contributions, any proposed changes to the rates or definition(s) of earnings (including without limitation details of any salary/pay increases), the dates contributions are due to be paid, whether contributions are due in advance or in arrears. All contributions payable or which shall fall due for payment by the Vendor or the relevant Acquired Group Company prior to the date of this Agreement have been paid.

31.3 Sections 09/02/01/20 and 09/02/10/15 of the Data Room contain complete, accurate and up to date membership data relating to the Pension Scheme.

31.4 No contribution notice or financial support direction under the Pensions Act 2004 has been issued to any Acquired Group Company or any other person in respect of the Pension Scheme and, so far as the Vendor is aware, there is no fact or circumstance likely to give rise to any such notice or direction.

31.5 No claims or complaints have been made or, so far as the Vendor is aware, are pending or threatened in relation to the Pension Scheme or otherwise in respect of the provision of (or failure to provide) pension, lump-sum, death, ill-health, disability or accident benefits by

any Acquired Group Company. So far as the Vendor is aware, there are no facts or circumstances likely to give rise to any such claim or complaint.

31.6 The Pension Scheme does not accept, and has at no time accepted, any contributions from a European employer as defined for the purposes of Part 7 of the Pensions Act 2004.

31.7 Each Acquired Group Company has complied in full with its automatic enrolment obligations as required by the Pensions Act 2008 and associated legislation. No notices, fines, or other sanctions have been issued by the Pensions Regulator and no instances of non-compliance with the automatic enrolment obligations have been notified to the Pension Regulator in respect of any Acquired Group Company.

31.8 The Pension Scheme is a registered pension scheme as defined in section 150(2) of the Finance Act 2004. There is, so far as the Vendor is aware, no reason why such classification as a registered pension scheme could be withdrawn and HM Revenue and Customs might de-register the scheme.

31.9 No current or former employee or officer of any Acquired Group Company whose employment transferred to or has transferred to any Acquired Group Company under legislation or regulations on the transfer of undertakings or otherwise was a member of or entitled to be or become a member of any final salary or defined benefit occupational pension scheme and therefore no current or former employee or officer of any Acquired Group Company has any rights to early retirement or to other enhanced rights, including pension rights on redundancy.

31.10 Every employee or officer and former employee or officer of any Acquired Group Company entitled to join the Pension Scheme was offered membership to the Pension Scheme as of the date on which he became entitled and therefore there are no back contributions due by any Acquired Group Company to the Pension Scheme.

32. PROPERTY

32.1 In this paragraph 32 the term "**Current Use**" means, in respect of each Property, the current use of that Property (as set out in Schedule 2).

The particulars of the Properties

32.2 The particulars of each Property set out in Schedule 2 are true, accurate and not misleading.

32.3 Each Property is actively and exclusively used by the Acquired Group Company specified in Schedule 2 as being the tenant in connection with its business.

Extent of property interests

32.4 The Properties are the only land and building owned, leased, used or occupied by the Acquired Group Companies.

32.5 No Acquired Group Company has any right of ownership, right of use, option, right of first refusal or contractual obligation to purchase, or any other legal or equitable right, estate or interest in, or affecting, any land or buildings other than the Properties.

Liability in respect of Property Interests

32.6 Other than in respect of the Properties, no Acquired Group Company has any actual or contingent liability (including pursuant to any guarantee or indemnity) in respect of any Property Interest in any land or buildings.

32.7 In relation to the Properties, no Acquired Group Company has any actual or contingent liability (including pursuant to any guarantee or indemnity) pursuant to any Property Interest other than as specified at Schedule 2.

Lease

32.8 Other than the documents listed at sections 09/03/01/20/05/01, 09/03/10/15/10 and 09/03/25/10/01 of the Data Room, there are no other lease documents, supplements or ancillary agreements to either of the Leases. The Vendor has provided to Purchaser true, accurate, and complete copies or originals of each Lease. No verbal agreements have been made in relation to either of the Leases.

32.9 The unexpired residue of the term granted by each Lease is vested in the Acquired Group Company specified in Schedule 2 as being the tenant in respect of that Lease and is valid and subsisting against all persons, including any person in whom any superior estate or interest is vested. Neither party to either Lease has terminated that Lease nor indicated that it will terminate that Lease.

32.10 In relation to each Lease, the tenant and, so far as the Vendor is aware, the landlord has paid all rents and other payments in full and in a timely manner and has observed and performed in all material respects all covenants, restrictions, stipulations and other encumbrances and there has not been any breach or default with respect to the same nor any waiver of or acquiescence (expressly or impliedly) regarding any breach or default of them by the tenant or, so far as the Vendor is aware, the landlord.

32.11 No collateral assurances, undertakings or concessions have been made by the tenant or, so far as the Vendor is aware, the landlord in respect of either Lease.

32.12 Each Property is occupied entirely by the Acquired Group Company specified in Schedule 2 as being the tenant and has not been made available to a third party for use.

Planning and use of Property

32.13 The Current Use of each Property is in accordance with the provisions of the Lease relating to that Property.

32.14 All necessary building regulation consents have been obtained in relation to any extensions, alterations and improvements made by any Acquired Group Company in respect of either Property.

32.15 No claim or liability (contingent or otherwise) under the applicable planning laws in respect of either Property (or any part) that are addressed to any Acquired Group Company or, so far as the Vendor is aware, affect the use of either Property by the Acquired Group Company specified in Schedule 2 as being the tenant, are outstanding.

Statutory obligations

32.16 Each Acquired Group Company has complied with all applicable statutory and bye law requirements, and all regulations, rules and delegated legislation, relating to each Property and its Current Use.

Condition

32.17 Each Property is in a good state of repair and condition and fit for its Current Use.

32.18 So far as the Vendor is aware, all works of improvement that the tenant is obliged to carry out under each applicable Lease have been fully performed and accepted by the landlord, and such tenant has no further obligation to construct, install, or remove any improvement relating to each applicable Lease.

Complaints and disputes

32.19 Neither the Vendor nor any Acquired Group Company has received any notices, complaints or from:

(a) any competent authority or undertaking exercising statutory or delegated powers, including, but not limited to any power of condemnation, eminent domain, or similar power in relation to either Property, any machinery, plant or equipment in it or the Current Use; or

(b) anyone claiming to have the benefit of any covenant, agreement, restriction, stipulation or obligation relating to either Property,

and the Vendor is not aware of any matter which could lead to any such notice, complaint or requirement being issued or made.

32.20 There exists no dispute between any Acquired Group Company and the owner or occupier of any other premises adjacent to or neighbouring either Property or any other third party

and the Vendor does not expect, and is not aware of any circumstances that may give rise to, any such dispute after the date of this Agreement.

32.21 No Acquired Group Company has (nor has anyone on its behalf) knowingly waived any breach by any person of any covenant, agreement, restriction, stipulation or obligation relating to either Property or any part of it, or of which either Property or any part of it has the benefit.

33. ENVIRONMENT

33.1 Each Acquired Group Company is in compliance and has complied in all material respects with all applicable laws, regulations, codes of practice and other similar controls and advice made or issued by national or local government or by any other regulatory body, and with all applicable regulations and directives made by the legislative organs of the European Union, relating to the protection of the environment (including the prevention of pollution of any land, water or air due to the release, escape or other emission of any substance (including radioactive substances) or the production, transportation, storage, treatment, recycling or disposal of waste, potentially hazardous or polluting substances, or nuisance), energy efficiency and climate change ("**Environmental Laws**") both in respect of its business as carried on from time to time and in respect of each Property.

33.2 To the best of the Vendor's knowledge, information and belief, there are no facts or circumstances affecting any Acquired Group Company that might justify the imposition of any requirement by a competent authority in accordance with that authority's powers and obligations under the Environmental Laws which would if the requirement were not complied with result in there being a breach of any Environmental Laws.

33.3 There are no past nor, to the best of the Vendor's knowledge, pending or threatened proceedings, claims or actions against any Acquired Group Company (or any of its directors, officers or employees) brought under Environmental Laws ("**Environmental Claims**") before any court, arbitrator or other body which have had or which would in the event of an unfavourable judgment, decision or order have a materially adverse effect on the financial or trading position or the prospects of any Acquired Group Company or the use of either Property and, to the best of the Vendor's knowledge, information and belief, there are no facts or circumstances which are likely to give rise to any such Environmental Claims.

33.4 All necessary permits, licences, consents, approvals, certificates, registrations and authorisations required under Environmental Laws in relation to the carrying on of the business of any Acquired Group Company or in relation to either Property ("**Environmental Permits**") have been obtained and maintained (including the meeting of any obligation to make payment in respect of the grant or subsistence of any of the Environmental Permits) by the relevant Acquired Group Company. All conditions, restrictions and obligations contained in the Environmental Permits have been fully complied with and, to the best of the Vendor's knowledge, information and belief, there is no reason why any of the Environmental Permits should be or may be revoked or amended.

33.5 Neither Property has been contaminated or polluted to any material degree (whether by the deposit, spillage or disposal or leaching of any hazardous or toxic material or other pollutant or otherwise) as a result of any existing or past activities carried out at that Property by any Acquired Group Company.

33.6 To the best of the Vendor's knowledge, information and belief, there are no circumstances which are likely to give rise or have in the past given rise to any liability (whether under statute or at common law) in nuisance in respect of either Property or the operation of the business of any Acquired Group Company.

33.7 With the exception of the documents contained at section 09/20/10/30 of the Data Room, to the best of the Vendor's knowledge there are no further environmental reports, data, correspondence, investigations, surveys or other documents relevant to the application of the Environmental Laws to any Acquired Group Company or either Property (including environmental and health and safety audits, environmental impact assessments and documents relating to hazardous or other waste) in the possession of any Acquired Group Company.

33.8 No competent authority has exercised or threatened to exercise against any Acquired Group Company any powers under any Environmental Laws to carry out works in respect of any contamination, pollution or hazardous substance present at or arising from either Property and/or any other property owned, used or occupied by any Acquired Group Company at any time previously.

33.9 No Acquired Group Company has any actual or contingent obligation to pay money or carry out any work in respect of compliance with any Environmental Laws, Environmental Permits or Environmental Claims.

33.10 To the best of the Vendor's knowledge, there are, and have been, no underground storage tanks or above ground storage tanks containing petrol, diesel, heating fuel, waste oils or other petroleum hydrocarbons at, or under, either Property.

34. HEALTH AND SAFETY

34.1 Each Acquired Group Company is in compliance with all applicable Health and Safety Laws.

34.2 To the best of the Vendor's knowledge, information and belief no Acquired Group Company is nor has been the subject of any investigation, inquiry or proceeding by any governmental, enforcement, administrative or regulatory body or any customer regarding any offence or alleged offence relating to any applicable Health and Safety Laws, to the best of the Vendor's knowledge, information and belief, no such investigation, inquiry or proceeding is pending or threatened and, to the best of the Vendor's knowledge, information and belief, there are no circumstances which are likely to give rise to any such investigation, inquiry or proceeding.

34.3 No Acquired Group Company has, within the past five years, received a whistle blower report of alleged or potential violations of any applicable Health and Safety Laws (regardless of the ultimate determination of credibility of the claims/reports).

35. INTELLECTUAL PROPERTY

35.1 In respect of the Business IP, the Vendor's Group is either:

(a) the sole legal and beneficial owner (free from Encumbrances) of the Business IP set out, or referred to, in Part 1 and Part 2 of Schedule 7 which sets out the true, complete and accurate particulars of the same; or

(b) validly licenced to use the Business IP.

35.2 True and complete copies of (or, where not in writing, full and accurate particulars of) all licences, assignments, agreements, authorisations and permissions and whether express or implied, to which any Acquired Group Company or any member of the Vendor's Group is a party in respect of any Owned Business IP (except the Intellectual Property Assignment Agreement, the Cross-Licence Agreement, the Know-how Licence Agreement and the Exclusive Manufacturing and Supply Agreement) are contained at section 09/22/05/20 of the Data Room and no Acquired Group Company nor any member of the Vendor's Group has granted, or is obliged to grant, any other licence, sub-licence or assignment in respect of any Owned Business IP.

35.3 All renewal applications, official fees and all required maintenance steps relating to the administration of the Owned Business IP have been duly paid, made or taken and nothing is to be done within 90 days of Completion, the omission of which would jeopardise the maintenance or prosecution of any Owned Business IP which is registered or the subject of an application for registration. Sections 09/22/05/25 and 09/22/05/30 of the Data Room lists any and all actions, including any filings, renewals or updates, required to be taken with respect to any Owned Business IP in the 6 months after the Completion Date.

35.4 To the best of the Vendor’s knowledge, information and belief: (i) all Owned Business IP is valid and enforceable, (ii) nothing has been done or omitted to be done by any Acquired Group Company or any member of the Vendor's Group (currently or historically) that will detract from or otherwise negatively affect that validity and enforceability and (iii) no person is opposing the validity, enforceability or proprietorship of any such Owned Business IP.

35.5 Each person retained, engaged or employed by any Acquired Group Company or any member of the Vendor's Group (currently or historically) is individually bound by a written agreement which prohibits such person divulging any confidential Business Information, and no Acquired Group Company nor any member of the Vendor's Group has divulged, or is obliged to divulge, any Business Information of a confidential nature to any person other than to its employees or in the course of its business activities under a duty of confidence.

35.6 To the best of the Vendor's knowledge, information and belief, all confidential Business Information owned or used by any Acquired Group Company or any member of the Vendor's Group has at all times been kept confidential by such Acquired Group Company or member of the Vendor's Group and has not been disclosed to any third party except in the course of business and subject to written confidentiality obligations provided by the third party recipient.

35.7 No Acquired Group Company, nor any member of the Vendor's Group, nor (to the best of the Vendor's knowledge, information and belief) any party with which any Acquired Group Company has contracted, is in breach of, or has breached, any agreement relating to the Owned Business IP or Business Information, including any licence, sub-licence or assignment granted to or by any Acquired Group Company or any member of the Vendor's Group in respect of any Intellectual Property owned by such Acquired Group Company or transferred by the Vendor's Group under the Intellectual Property Assignment Agreement.

35.8 No Acquired Group Company nor (to the extent relating to any Acquired Group Matter) any member of the Vendor's Group is infringing or misappropriating, or has in the previous six years infringed or misappropriated, the rights of any other person in any Intellectual Property.

35.9 Use of the Owned Business IP and other Business IP in the manner it is used by any Acquired Group Company or member of the Vendor's Group as of the Completion Date does not infringe any Intellectual Property rights of any third party.

35.10 No Acquired Group nor any member of the Vendor's Group has received written notice of, nor to the best of Vendor's knowledge, information, and belief are there, any legal proceedings, claims, challenges or disputes, pending or threatened, in relation to the use or ownership of any Owned Business IP or the Business Information or in relation to any agreement relating to any Owned Business IP or Business Information.

35.11 To the best of the Vendor's knowledge, information and belief, there is no, and there has not at any time during the last six years been any, unauthorised use, infringement or misappropriation by any person of any of the Owned Business IP or any Business Information and no Acquired Group Company nor any member of the Vendor's Group has acquiesced in or granted a waiver of any such unauthorised use, infringement or misappropriation.

35.12 No Acquired Group Company nor (to the extent relating to any Acquired Group Matter) any member of the Vendor's Group has received written notice of, nor to the best of the Vendor's knowledge, information and belief are there any, claims against such Acquired Group Company or (to the extent relating to any Acquired Group Matter) any member of the Vendor's Group in any jurisdiction for compensation or remuneration for inventions conceived or copyright works created or anything analogous to the preceding whether under contract or otherwise (including under the Patents Act 1977), and no employee, director or contractor is entitled to any award or compensation in respect thereof whether under the Patents Act 1977 or otherwise.

35.13 All persons employed, retained, or engaged by any Acquired Group Company or (to the extent relating to any Acquired Group Matter) any member of the Vendor's Group (currently or historically) who, in the course of their work for an Acquired Group Company or a member of the Vendor's Group, have brought, or will or might reasonably be expected to bring, into existence Intellectual Property are individually bound by written agreements with an Acquired Group Company or a member of the Vendor's Group whereby all Intellectual Property which such persons bring or which may be brought into existence by them in the performance of their work for an Acquired Group Company or a member of the Vendor's Group is disclosed to, and either vests in, or is assigned to, an Acquired Group Company or a member of the Vendor's Group (save to the extent that under applicable law this is not permissible).

35.14 In respect of any patent application made or currently proposed to be made by any Acquired Group Company or any member of the Vendor's Group in relation to the Owned Business IP, no objection or challenge has, to the best of the Vendor's knowledge, information and belief, been raised as to the proprietorship or validity of such patent.

35.15 In respect of the trade marks (including unregistered trade marks and applications for registration) owned by each Acquired Group Company or any member of the Vendor's Group which form part of the Owned Business IP, no Acquired Group Company nor any member of the Vendor's Group has been notified in writing of any opposition, cancellation or objection to the registration of any trade mark or that the applicable registrar of trade marks considers the mark to be incapable of registration or, in the case of registered trade marks, of proceedings in respect of rectification of the Register or similar action.

35.16 No Acquired Group Company nor any member of the Vendor's Group is a party to any agreement or subject to any duty which restricts the free use or disclosure by any Acquired Group Company of any of its confidential Business Information (save for any non-disclosure or similar agreements entered into in the ordinary course of business and the Intellectual Property Assignment Agreement, the Cross-Licence Agreement, the Know-how Licence Agreement and the Exclusive Manufacturing and Supply Agreement).

35.17 Each Acquired Group Company either beneficially owns, or has a valid licence to use, all Intellectual Property required by that Acquired Group Company to carry on business in the manner in which such Acquired Group Company operated at and prior to Completion.

35.18 No written notice or claims of moral rights have been received by any Acquired Group Company or member of the Vendor's Group which would affect the use of any Owned Business IP.

35.19 The registration details recorded in respect of each domain name set out in Part 2 of Schedule 7 are true, complete and accurate and none of these domain names have been allowed to lapse or expire or are currently suspended by any registrar or registry, and none of these domain names have been notified in writing to an Acquired Group Company or member of the Vendor's Group as being subject to a referral to a domain name registry/registrar procedure, including the Uniform Domain Name Dispute Resolution Policy or any country specific dispute resolution proceedings, or any court action in any jurisdiction.

35.20 The transaction contemplated under this Agreement will not result in a breach of, or trigger a payment, right of termination or variation under, any agreements relating to any Business IP or Business Information and to the best of the Vendor's knowledge, information and belief, there are no circumstances which are likely to give rise to the ownership, benefit or right to use any Business IP or Business Information being lost, or rendered liable to termination, by virtue of the transaction contemplated under this Agreement.

35.21 True records, files and documents have been maintained for all Owned Business IP and the records, files and documents are in the possession of an Acquired Group Company or a member of the Vendor's Group or under the control of an Acquired Group Company or a member of the Vendor's Group.

36. SYSTEMS

36.1 In this paragraph 36:

"**Hardware**" means all computer, telecommunication and network hardware, related peripherals and equipment and apparatus, in each case, owned, leased or rented by an Acquired Group Company (but excluding any such hardware that forms part of the a telecommunication infrastructure or network outside of such Acquired Group Company's premises);

"**Software**" means all computer programmes, whether in object or source code and its associated documentation, in each case, used by an Acquired Group Company; and

"**System**" means the Hardware and the Software.

36.2 Particulars of the System of each Acquired Group Company and any material agreements relating to the System of each Acquired Group Company are contained at sections 09/04/05/45, 09/04/10/40, 09/04/25/35 and 09/04/15/40 of the Data Room and, except where such System of an Acquired Group Company is owned legally and beneficially by

such Acquired Group Company, true and complete copies of the licences or agreements pursuant to which use of the System of each Acquired Group Company is made (other than in respect of off-the-shelf software) are contained at section 09/03/01/20/10/10/15 of the Data Room.

36.3 The System of each Acquired Group Company is, when taken as a whole and individually, sufficient for the requirements of the business of the relevant Acquired Group Company and the Acquired Group.

36.4 All Software is standard off-the-shelf software licenced to an Acquired Group Company by a third party.

36.5 Each Acquired Group Company has and has implemented procedures and measures (and is not aware of any instance of material non-compliance with such procedures or measures) designed to prevent unauthorised access to the relevant Acquired Group Company's System (including a data security breach plan) to preserve the availability, security and integrity of its System and the data and information stored on its System and to enable the business operations of the relevant Acquired Group Company to continue if there were significant damage to or destruction of some or all of its System, (including a disaster recovery plan which provides for the taking and storing on-site and off-site of back-up copies of the relevant Acquired Group Company), copies of which are contained at section 6.15 of the Data Room

36.6 The System of each Acquired Group Company is maintained and supported under maintenance and support agreements.

36.7 The System of each Acquired Group Company has adequate capability and capacity for, and is capable (without modification) of dealing with, the current requirements of such Acquired Group Company for the processing and other functions required to be performed for the purposes of such Acquired Group Company's business.

36.8 No System has ever materially interrupted or hindered or detrimentally affected the running or operation of the business of any Acquired Group Company.

36.9 The System of each Acquired Group Company is operated using anti-virus software of good industry standard. Each Acquired Group Company operates logical, physical and environmental security controls designed to avoid all such induced malfunctions or contamination.

36.10 The System of each Acquired Group Company has been operated and used substantially in accordance with and the supplier's manuals and the supplier's recommendations including any recommendations as to environmental conditions and power supply; and such descriptions, manuals and recommendations are held by, and shall remain in the possession of the relevant Acquired Group Company on Completion.

36.11 Each Acquired Group Company legally and beneficially owns, or has a licence or other right to use, all necessary rights to enable such Acquired Group Company to use its System as of the date of Completion.

36.12 No Acquired Group Company nor, to the best of the Vendor's knowledge, information and belief, any party with which any Acquired Group Company has contracted is in material breach of or has materially breached any agreement relating to any Acquired Group Company's System, including any licence, sub-licence or assignment granted to or by any Acquired Group Company in respect of that Acquired Group Company's System.

36.13 To the best of the Vendor's knowledge, information and belief, no Acquired Group Company has received written notice of any legal proceedings, claims, challenges or disputes or material service delivery issues, pending or threatened, in relation to the use or ownership of any System or in relation to any agreement relating to any System or any system intended to replace or improve or develop any System.

37. DATA PROTECTION

37.1 In this paragraph 37:

"**Applicable Data Protection Laws**" means all data protection and privacy and direct marketing laws which are applicable to each Acquired Group Company and its operations from time to time, including, where applicable, the Data Protection Act 2018, the UK General Data Protection Regulation ("**UK-GDPR**"), the Privacy and Electronic Communications (EC Directive) Regulations 2003 (as amended by the UK Data Protection, Privacy and Electronic Communications (Amendments etc.) (EU Exit) Regulations 2019), the Health Insurance Portability and Accountability Act of 1996, 42 U.S.C. §§ 1320d-1329d-8 and U.S. state data breach notification laws, and the General Data Protection Regulation (EU 2016/679) and any national implementing laws, regulations and secondary legislation, as amended or updated from time to time and any successor legislation to the same; and

"**controller**", "**data subjects**", "**processor**", "**personal data**", "**processing**", "**personal data breaches**", "**supervisory authority**" **and** "**special categories of personal data**" have the meanings given in the UK-GDPR.

37.2 Each Acquired Group Company has at all times complied with Applicable Data Protection Laws in all material respects, including any notification requirements.

37.3 Details of each personal data breach (if any) to which each Acquired Group Company has, so far as the Vendor is aware, been subject are contained at section 09/03/60 of the Data Room. In respect of each such personal data breach, the relevant Acquired Group Company has complied with all notification requirements within the applicable timescales specified under Applicable Data Protection Laws.

37.4 Each Acquired Group Company has complied with, and has established and implemented, all procedures necessary to comply with all relevant requirements of Applicable Data Protection Laws (including the data protection principles set out therein).

37.5 Without prejudice to the generality of paragraph 37.4, each Acquired Group Company has, with regard to the processing of personal data of data subjects for the purposes relating to its business activities ("**Purposes**"), either:

(a) obtained valid consents from data subjects in the manner and form required by Applicable Data Protection Laws for the Purposes; or

(b) concluded that it is not required, under Applicable Data Protection Laws, to obtain consent from such data subjects for the Purposes and duly documented the appropriate legal bases in the record of processing operations.

37.6 Any personal data processing activity carried out by a third party on behalf of any Acquired Group Company is carried out pursuant to a written contract between that Acquired Group Company and the relevant third party data processor. In addition:

(a) each such contract complies with the requirements of Applicable Data Protection Laws;

(b) the Acquired Group Company has undertaken appropriate legal and operational due diligence on each third party data processor party to each such contract to verify that it is able to meet the requirements of Applicable Data Protection Laws;; and

(c) no Acquired Group Company, nor (so far as the Vendor is aware) any other party to any such contract, is in material breach of any such contract.

37.7 Each Acquired Group Company has implemented appropriate technical and organisational measures to: (i) protect against the unauthorised or unlawful processing of, or accidental loss or damage to, any personal data processed by that Acquired Group Company; and (ii) ensure a level of security appropriate to the risk presented by the relevant data processing activity and the nature of the personal data to be protected.

37.8 Each Acquired Group Company has duly satisfied any valid requests made by a data subject to exercise their rights under Applicable Data Protection Laws and no such request is outstanding.

37.9 No Acquired Group Company has in the three years preceding the date of this Agreement received any:

(a) fine, notice or complaint alleging non-compliance with Applicable Data Protection Laws; or

(b) requests for information or requests to carry out a regulatory audit relating to its data protection policies or practices; and

to the best of the Vendor's knowledge, information and belief there are no circumstances which are likely to give rise to the same.

37.10 No Acquired Group Company has entered into any undertaking with any supervisory authority or data protection authority whose role is the enforcement of Applicable Data Protection Laws.

37.11 No person has been awarded compensation from any Acquired Group Company or so far as the Vendor is aware from any data processor of any Acquired Group Company under Applicable Data Protection Laws or otherwise in relation to a personal data breach. No claim for such compensation is outstanding.

37.12 No Acquired Group Company has received written notice from a supervisory authority, any data subject or representative thereof of an order made (i) against any Acquired Group Company or (ii) so far as the Vendor is aware against any data processor of any Acquired Group Company, in each case under Applicable Data Protection Laws. No Acquired Group Company has received written notice of an application for such an order.

37.13 Where personal data is processed or transferred by, or on behalf of any Acquired Group Company outside either the UK or the European Economic Area, the relevant Acquired Group Company has complied with provisions set out in Applicable Data Protection Laws in respect of any such transfer or processing.

37.14 Where any Acquired Group Company processes any:

(a) special categories of data or sensitive personal data other than routine employee details as part of standard employment practices; or

(b) personal data relating to criminal convictions and offences or related security measures,

it has implemented appropriate technical and organisational measures (as described under Applicable Data Protection Laws) to safeguard such sensitive data.

37.15 Each Acquired Group Company is compliant with, and has established all procedures necessary to comply with, all relevant requirements of the Privacy and Electronic Communications (EC Directive) Regulations 2003 in respect of the use of (i) cookies, and (ii) electronic communications for direct marketing.

38. SOCIAL MEDIA

38.1 In this paragraph 38.1:

"**Social Media Asset**" means any user account, profile, page or other similar presence on an online communication channel incorporating user-generated content, including Facebook, Twitter, LinkedIn, Google+, Foursquare, Tumblr, Flickr, Pinterest and Reddit, administered and/or controlled by an Acquired Group Company at the date of this Agreement and in the past 12 months, including those listed in Part 2 of Schedule 7; and

"**Social Media Login Details**" means all information necessary to access, edit, control and/or administer a Social Media Asset, including usernames, handles, passwords, access codes, security questions and answers.

38.2 An accurate and complete list of all Social Media Assets is contained at section 09/03/50 of the Data Room.

38.3 The Social Media Login Details are sufficient to enable the Purchaser to access and assume sole control of the Social Media Assets on Completion.

38.4 Each Acquired Group Company is registered as the owner of, or is otherwise entitled to solely administer or control, each Social Media Asset owned or used by it.

38.5 Each director, manager, employee and independent contractor of each Acquired Group Company who, either alone or with others, has access to or control over a Social Media Asset has entered into a written agreement with the relevant Acquired Group Company obliging him to, on termination of his engagement with the relevant Acquired Group Company, cease accessing that Social Media Asset.

38.6 Each Acquired Group Company has in place policies, procedures and training for its employees on the appropriate use of social media in a professional capacity.

38.7 To the best of the Vendor's knowledge, information and belief, no person has, or in the past 12 months has had, unauthorised access to any Social Media Asset.

38.8 To the best of the Vendor's knowledge, information and belief, each Acquired Group Company has materially complied with the relevant terms of use of the Social Media Assets. To the best of the Vendor's knowledge, information and belief, no Acquired Group Company has received written notice of any disputes in connection with any Acquired Group Company's use of the Social Media Assets.

38.9 To the best of the Vendor's knowledge, information and belief, no person has used the Social Media Assets to infringe or misuse or misappropriate the rights of any other person or to defame, libel or slander such person.

38.10 Each Acquired Group Company's use of the Social Media Assets (including any competitions or prize promotions conducted via the Social Media Assets) complies, and has at all times within the last 12 months complied, with all applicable laws, regulations and guidelines, including any relevant advertising codes. Neither the Vendor nor any

Acquired Group Company has received any notice or allegation (from an individual, regulator, administrative body or any other person) that any Acquired Group Company has failed to comply with any of the above.

39. INSOLVENCY

39.1 No Acquired Group Company is, or has ever been, unable to pay its debts from time to time as they fall due.

39.2 No Acquired Group Company has suspended or threatened to suspend payment of any of its debts.

39.3 No Acquired Group Company has entered into negotiations with any creditor with a view to rescheduling any of its indebtedness.

39.4 No meeting of any Acquired Group Company has been convened for the purpose of considering any resolution to present a petition for a winding up order.

39.5 No petition has been filed or threatened and no application or order has been made for the winding up of any Acquired Group Company or for the appointment of a liquidator or provisional liquidator of any Acquired Group Company.

39.6 No meeting of any Acquired Group Company has been convened for the purpose of considering any resolution to present an application for an administration order.

39.7 No application for the making of an administration order in relation to any Acquired Group Company has been presented, and no person who is entitled to do so has given written notice of its intention to appoint an administrator of any Acquired Group Company or filed such a notice with the court.

39.8 No Acquired Group Company has passed a resolution to present an application for an administration order.

39.9 No administration order has been made, and no person who is entitled to do so has given notice of the appointment of an administrator or filed such a notice with the court in relation to any Acquired Group Company.

39.10 No Acquired Group Company has at any time been a party to or subject to or applied for:

(a) the sanctioning under section 899 of the CA 2006 of a compromise or arrangement between it and any such persons as are mentioned in that section or the making of any other compromise with its creditors;

(b) the grant to it, by means of any contractual or informal rescue, work-out, debt re-scheduling or restructuring of any reduction, concession or indulgence

(conditionally or otherwise) by any of its creditors with regard to their rights to recover or enforce payment of the debts presently or in future due by it to them;

(c) crystallisation of any floating charge created by it or the occurrence of any event which causes, or with the giving of any notice or making of any demand would cause, such crystallisation;

(d) the appointment of any receiver (including any administrative receiver, as defined by the Insolvency Act 1986), liquidator, administrator, compulsory manager, monitor or other similar officer over all or any part of its property or assets;

(e) an encumbrancer taking possession of, or otherwise enforcing his security over, all or any part of its property or assets;

(f) the levying of any distress, execution, charging order, garnishee or other process over all or any part of its property or assets;

(g) the failure by it to fully satisfy any judgment (monetary or otherwise) outstanding against it in circumstances in which the judgment creditor has a present right to execute or enforce such judgment;

(h) the issue, filing or service of any petition, application, notice, advertisement, demand, proceedings, process, circular or communication, the convening of any meeting, or the taking of any steps, or the existence of any circumstances, which may lead to the occurrence of any of the foregoing events;

(i) any composition, compromise, assignment, restructuring plan or arrangement with any creditor of the Acquired Group Company, scheme of arrangement of its affairs (including any voluntary arrangement under Part I of the Insolvency Act 1986 or any restructuring plan under Part 26A of the CA 2006) which in any such case has been proposed, sanctioned or approved (whether or not currently in force);

(j) any moratorium under Schedule 1A to the Insolvency Act 1986 in respect of the Acquired Group Company or taken any step or commenced any procedure with a view to obtaining such a moratorium; or

(k) the occurrence of any event under the laws of any jurisdiction, other than England and Wales, which is analogous to any of the foregoing events.

39.11 No director of any Acquired Group Company has had an interim order made under the Insolvency Act 1986, become bankrupt, made any composition or voluntary arrangement or entered into any deed of arrangement with his creditors or become subject to an administration order under section 12 of the County Courts Act 1984.

39.12 So far as the Vendor is aware, there are no facts in existence which are likely to lead to any of the events or circumstances referred to in this paragraph, occurring in the 12 months following the date of this Agreement.

SCHEDULE 6

Limitations on Vendor's Liability

1. TIME LIMITS

1.1 Subject to paragraph 1.2, the Vendor shall not be liable in respect of any Warranty Claim, Tax Warranty Claim, Tax Covenant Claim or Specific Indemnity Claim unless written notice of such claim, summarising in reasonable detail the nature of the Claim or Specific Indemnity Claim as the case may be (in so far as it is known to the Purchaser) and, as far as is reasonably practicable, an estimate of the amount claimed, has been given to the Vendor:

(a) in the case of Tax Warranty Claim or Tax Covenant Claim, by no later than 11.59pm on the seventh anniversary of the Completion Date; and

(b) in the case of a Warranty Claim or Specific Indemnity Claim, by no later than 11.59pm on 31 December 2024.

1.2 The Vendor shall not be liable in respect of any Warranty Claim, Tax Warranty Claim or Specific Indemnity Claim unless legal proceedings have been validly issued and served on the Vendor on or before the date falling 9 months after the date on which valid notice of that Warranty Claim, Tax Warranty Claim or Specific Indemnity Claim was given or, in the case of a Warranty Claim, Tax Warranty Claim or Specific Indemnity Claim referred to in paragraph 3 and if later, 9 months after the date on which the matter giving rise to the Warranty Claim, Tax Warranty Claim or Specific Indemnity Claim constitutes or gives rise to an actual liability which is due for payment and capable of being quantified. For the purposes of this Agreement, legal proceedings shall be regarded as having been served when the relevant step referred to in Civil Procedure Rule 7.5(1) has been completed.

2. MONETARY LIMITS

2.1 The Vendor shall not be liable in respect of any single Warranty Claim or Tax Warranty Claim if the liability of the Vendor in respect of that claim (excluding interest and costs) would (but for this paragraph 2.1) have been less than USD $[***]. For the purposes of this paragraph 2.1, a series of claims arising from the same (or substantially identical) facts or circumstances shall be treated as a single claim.

2.2 The Vendor shall not be liable in respect of any single Warranty Claim or Tax Warranty Claim unless and until the aggregate amount of all Warranty Claims and Tax Warranty Claims other than those for which the Vendor is not liable under paragraph 2.1 (excluding interest and costs) exceeds USD $[***] but in such event the Vendor shall be liable for the total amount of all Warranty Claims and Tax Warranty Claims and not merely the excess over USD $[***].

2.3 The total aggregate liability of the Vendor in respect of all Warranty Claims, Tax Warranty Claims and Tax Covenant Claims (including interest and costs) shall not in any circumstances exceed an amount equal to USD $[***].

3. CONTINGENT CLAIMS

3.1 The Vendor shall not be liable in respect of any Warranty Claim, Tax Warranty Claim or Specific Indemnity Claim based on a matter involving a contingent liability until such matter constitutes or gives rise to an actual liability of any member of the Purchaser's Group.

3.2 Paragraph 3.1 shall not prevent the Purchaser from giving notice of a Warranty Claim, Tax Warranty Claim or Specific Indemnity Claim under paragraph 1 based on a matter involving a contingent liability, and provided such notice has been given (and subject to the other provisions of this Schedule 6) nor shall it prevent the Vendor from being liable in respect of such Warranty Claim, Tax Warranty Claim or Specific Indemnity Claim once the relevant matter constitutes or gives rise to an actual liability of any Acquired Group Company.

4. EXCLUSION OF CERTAIN CLAIMS

4.1 The Vendor shall not be liable in respect of any Warranty Claim if and to the extent of any specific allowance, provision or reserve in respect of the matter giving rise to the claim has been made, or if and to the extent that any such matter is the subject of a note, in the Accounts, the Carve-Out Accounts or the Completion Accounts.

4.2 The Vendor shall not be liable in respect of any Warranty Claim if and to the extent that the claim would not have arisen but for:

(a) any matter or thing done or omitted to be done before Completion pursuant to and in accordance with the terms of this Agreement or at the written request or with the written approval of the Purchaser; or

(b) any matter or thing done or omitted to be done by any Acquired Group Company after Completion outside the ordinary and usual course of its business and which the Purchaser knew, or was reasonably likely to, give rise to a claim; or

(c) any change after Completion in any generally accepted interpretation or application of any legislation or in the published policy or practice of any government, governmental department, agency or regulatory body in relation to any legislation; or

(d) any change in the accounting principles, practices or policies of any Acquired Group Company introduced or having effect after Completion.

(e) the enactment, amendment, or change in the generally accepted interpretation or application, of any legislation, rule or regulation, or any change in the practice of

any governmental, regulatory or other body (including a Tax Authority) after the date of this Agreement (whether or not having retrospective effect) or the imposition of any Tax not actually in force at the date of this Agreement or any change, after the date of this Agreement, in the rates of Taxation or availability of any Relief.

4.3 The exclusions in paragraph 4.1 of Part 2 of Schedule 8 shall apply to limit the liability of the Vendor in respect of any Tax Warranty Claim or Tax Covenant Claim.

5. RECOVERY FROM THIRD PARTIES

5.1 If the Purchaser or any member of the Purchaser's Group is entitled to recover from some other person (including under the Tail Policy or any other insurance policy) any sum in respect of any matter or event which is directly referable to a Warranty Claim or (solely in respect of a right of recovery under the Tail Policy) a Specific Indemnity Claim and in respect of which the Vendor had, has or could have any liability (a "**Right of Recovery**"), the Purchaser will (or will procure that the relevant member of the Purchaser's Group will):

(a) notify the Vendor of the Right of Recovery as soon as reasonably practicable after becoming aware thereof and thereafter keep the Vendor aware of all material developments in relation to the Right of Recovery;

(b) consult with the Vendor in relation to the Right of Recovery and in relation to the action to be taken in response thereto;

(c) provide to the Vendor, on reasonable notice, copies of such documents as is in its possession or under its control (other than the working papers of any of its professional advisers) as the Vendor may reasonably request relating to the relevant Right of Recovery, provided that nothing shall require the Purchaser to disclose any documents which are legally privileged or which it is required by law or other legally binding obligation to keep confidential; and

(d) take reasonable account of the views of the Vendor before taking any action in relation to the Right of Recovery in question.

5.2 Subject to being indemnified by the Vendor in respect of all costs and expenses (including any increase in premium on ongoing insurance cover) in connection with such action, the Purchaser shall take and shall ensure that any relevant member of the Purchaser's Group takes all such action as the Vendor may reasonably request to enforce, pursue, negotiate and appeal any Right of Recovery, including in both cases pursuing any claim the Purchaser may have for reimbursement of costs and expenses.

5.3 Paragraphs 5.1 and 5.2 shall not apply to any right of recovery that any member of the Purchaser's Group may have under the W&I Policy.

5.4 Any sum so recovered by the Purchaser or any member of the Purchaser's Group from a third party pursuant to a Right of Recovery in respect of any matter or event which is directly referable to a Warranty Claim will reduce the amount of such claim after deduction of any Taxation in respect of the same and all reasonable costs and expenses of recovery and associated premium increases.

5.5 If the Vendor pays the Purchaser or any member of the Purchaser's Group a sum to settle or discharge a Warranty Claim and within five years of making the payment the Purchaser (or relevant member of the Purchaser's Group) subsequently recovers a sum which is directly referable to such Warranty Claim then either:

(a) the Purchaser will (or will procure that the relevant member of the Purchaser's Group will) repay the Vendor such of the amount recovered from the third party which is directly referable to the Warranty Claim (less any Taxation on and reasonable costs and expenses incurred in recovering such amount and any associated insurance premium increases); or

(b) if the amount recovered from the third party which is directly referable to the Warranty Claim (less any Taxation on and reasonable costs and expenses incurred in recovering such amount and any associated insurance premium increases) is greater than the amount paid by the Vendor to settle or discharge the Warranty Claim, then the Purchaser (or relevant member of the Purchaser's Group) is only obliged to repay to the Vendor such amount as is equivalent to the sum so paid by the Vendor in settlement or discharge of such Warranty Claim.

5.6 The Purchaser may not pursue (or continue to pursue) the Vendor in respect of a Warranty Claim while any Right of Recovery available under the W&I Policy is being enforced and the time limits in paragraph 1.2 for issuing legal proceedings shall be suspended pending such enforcement.

6. THIRD PARTY CLAIMS

6.1 If a claim, demand or action is made, brought or threatened against any Acquired Group Company by any third party after Completion (a "**Third Party Claim**") and the Third Party Claim is likely to give rise to or provide grounds for a Warranty Claim, the Purchaser shall:

(a) notify the Vendor of the Third Party Claim as soon as reasonably practicable after becoming aware thereof and thereafter keep the Vendor aware of all material developments in relation to the Third Party Claim;

(b) consult with the Vendor in relation to the Third Party Claim and in relation to the action to be taken in response thereto;

(c) provide to the Vendor, on reasonable notice, copies of such documents as is in its possession or under its control (other than the working papers of any of its

professional advisers) as the Vendor may reasonably request relating to the relevant Third Party Claim, provided that nothing shall require the Purchaser to disclose any documents which are legally privileged or which it is required by law or other legally binding obligation to keep confidential; and

(d) take reasonable account of the views of the Vendor before taking any action in relation to the Third Party Claim in question.

6.2 Subject to (i) being indemnified by the Vendor in respect of all costs and expenses (including any increase in premium on ongoing insurance cover) in connection with such action and (ii) any requirements or action required to be taken pursuant to the W&I Policy, the Purchaser shall take and shall ensure that any relevant Acquired Group Company takes, all such action as the Vendor may reasonably request to dispute, resist, avoid, appeal, compromise, defend, remedy, mitigate, negotiate or resolve the relevant Third Party Claim, including pursuing any claim the Purchaser may have for reimbursement of costs and expenses.

6.3 Neither the Purchaser nor any Acquired Group Company will be under an obligation to take any step or omit to take any step (or procure that any step is taken or omitted to be taken) which would reasonably be expected to have a material adverse impact on the goodwill, reputation, business or financial position of the Purchaser or any Acquired Group Company and nothing in paragraphs 5.2 or 6.2 will require the Purchaser to be under any obligation to delegate the conduct of any potential Warranty Claim to the Vendor or its advisers.

6.4 Nothing in paragraphs 5.1 or 6.1 will prejudice, prevent or delay or be a condition precedent to the Purchaser making a Warranty Claim against the Vendor.

7. MITIGATION

Nothing in this Schedule shall relieve the Purchaser of any common law duty to mitigate any loss or damage which it may suffer as a result of any matter giving rise to a Warranty Claim or Tax Warranty Claim.

8. FRAUD

None of the limitations set out in this Schedule shall apply to exclude or limit the liability of the Vendor in respect of any claim under this Agreement which arises or is increased or which is delayed as a result of fraud or wilful non-disclosure by the Vendor.

9. NO DOUBLE RECOVERY

The Purchaser is not entitled to recover damages or otherwise obtain payment, reimbursement or restitution more than once in respect of the same loss or liability.

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

SCHEDULE 7
Intellectual Property

1. BUSINESS IP OF WHICH AN ACQUIRED GROUP COMPANY IS THE SOLE LEGAL AND BENEFICIAL OWNER PRIOR TO THE PRE-COMPLETION REORGANISATION

Registered patents/trade marks:

None

Other material Intellectual Property:

Details of other material Intellectual Property (including, for example, Know-how, unregistered trade marks, registered or unregistered copyrights, and database rights, and including details of authorship and first use / date of creation, where relevant) that are legally and beneficially owned by an Acquired Group Company:

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

2. BUSINESS IP TRANSFERRED FROM THE VENDOR'S GROUP TO THE COMPANY IMMEDIATELY PRIOR TO COMPLETION PURSUANT TO THE PRE-COMPLETION REORGANISATION

Registered patents and patent applications:

Current owner	Country	Publication / Patent number	Application number	Date filed	Date Published / Granted	Title	Next renewal date	Status
Contura A/S	US		60/228,081	08-25-2000		POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	US	7,780,958	09/938,667	08-27-2001	08-24-2010	POLYACRYLAMIDE HYDROGEL FOR THE TREATMENT OF INCONTINENCE AND VESICOURETAL REFLUX	02-24-2022 (first day open 08-24-2021)	Alive (Expires 08-27-2021)
Contura A/S	US	7,678,146	09/938,670	08-27-2001	03-16-2010	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	09-16-2021 (first day open 03-16-2021)	Alive (Expires 08-27-2021)
Contura A/S	US	7,935,361	09/938,669	08-27-2001	05-03-2011	POLYACRYLAMIDE HYDROGEL AS A SOFT TISSUE FILLER ENDOPROSTHESIS	11-03-2022 (first day open 05-03-2022)	Alive (Expires 08-27-2021)

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Contura A/S	US	7,186,419	09/938,668	08-27-2001	03-06-2007	POLYACRYLAMIDE HYDROGEL FOR ARTHRITIS	n/a	Alive (Expires 04-21-2022)
Contura A/S	AR	032764AA	2001P104075	08-27-2001	09-30-2010	A HYDROGEL, ITS USE, METHOD FOR ITS PREPARATION, AN IMPLANTABLE OR INJECTABLE ENDOPROTHESIS THAT INCLUDES IT AND METHODS THAT USE SUCH HYDROGELPOLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	TH	80743A	20011003450	08-27-2001	10-31-2006	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	MY	130475A	20010004007	08-25-2001	06-29-2007	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	US	8,216,561	11/469,213	08-31-2006	07-10-2012	POLYACRYLAMIDE HYDROGEL FOR THE TREATMENT OF INCONTINENCE AND VESICOURETAL REFLUX	01-10-2024 (first day open 07-10-2023)	Alive (Expires 01-05-2026)
Contura A/S	US	7,790,194	11/099,527	04-06-2005	09-07-2010	POLYACRYLAMIDE HYDROGEL AS A SOFT TISSUE FILLER ENDOPROSTHESIS	03-07-2022	Alive (Expires 08-27-2021)

							(first day open 09-07-2021)	
Contura A/S	DK		20000001262	08-25-2000		POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	PCT	WO02/16453	PCT/DK2001/00565	08-25-2001	02-28-2002	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	ZA	200208717A	20020008717	10-28-2002	02-10-2004	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	ES	2214988T3 / 1418188	20040002645T	08-25-2001	11-11-2009	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	ES	2237588T5 / 1287048	20010960207T	08-25-2001	04-27-2008	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	PT	1287048T	20010960207T	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Contura A/S	DE	60140489D1 / 1418188	20016040489T	08-25-2001	11-11-2009	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	DE	60144200D1 / 1564230	20016044200T	08-25-2001	03-09-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	ES	2362583T3 / 1564230	20050009167T	08-25-2001	03-09-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	EP	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (after grant, renewals are paid in validated countries)	Alive (indirectly alive via validated countries)

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Contura A/S	BE	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	CH	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	FI	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	FR	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	CY	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	GB	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to	Alive

							next renewal date)	(Expires 08-25-2021)
Contura A/S	GR	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	IE	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	IT	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	LU	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	MC	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	NL	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed

Contura A/S	SE	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	TR	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	AU	2001281763BB	20010281763	08-25-2001	10-19-2006	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	NO	20025198L	20020005198	10-30-2002	12-18-2002	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	IL	152803A1	20010152803	08-25-2001	12-02-2009	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	HU	0302054AC	20030002054	08-25-2001	10-29-2007	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	BG	66025B1	20020107397	12-17-2002	08-27-2010	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	HK	1054396B	20030106346	09-05-2003	10-07-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to	Alive

							next renewal date)	(Expires 08-25-2021)
Contura A/S	RU	2301814C2	20030107927	08-25-2001	06-27-2007	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	EE	05367B1	20020000692	08-25-2001	12-15-2010	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	AT	294198E / 1287048	20010960207T	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	DK	1287048T4	20010960207T	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	DE	60110413T3 /1287048	20016010413T	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to	Alive

							next renewal date)	(Expires 08-25-2021)
Contura A/S	IN	209617B	2003CN00302	02-20-2003	09-05-2007	A PROSTHETIC DEVICE FOR SOFT TISSUE AUGMENTATION	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	IL	210064A1	20010210064	08-25-2001	12-31-2014	USE OF A POLYACRYLAMIDE HYDROGEL FOR THE PREPARATION OF AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	IL	196770A1	20010196770	08-25-2001	02-01-2013	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	EP	1418188B1	04002645.2	08-25-2001	11-11-2009	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	FR	1418188B1	04002645.2	08-25-2001	11-11-2009	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	GB	1418188B1	04002645.2	08-25-2001	11-11-2009	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Contura A/S	IT	1418188B1	04002645.2	08-25-2001	11-11-2009	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	NL	1418188B1	04002645.2	08-25-2001	11-11-2009	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	BR	PI0204593-1	PI0204593-1	07-11-2002	02-14-2018	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	11-07-2021	Alive (Expires 02-14-2028)
Contura A/S	EP	1564230B1	20050009167	08-25-2001	03-09-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (after grant, renewals are paid in validated countries)	Alive (indirectly alive via validated countries)
Contura A/S	DK	1418188T3	20040002645T	08-25-2001	11-11-2009	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	DK	1564230T3	20050009167T	08-25-	03-09-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Alive

				2001			(Expires prior to next renewal date)	(Expires 08-25-2021)
Contura A/S	AU	2006220922BB	20060220922	09-22-2006	08-21-2008	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	EP	2272881A2	20100182169	08-25-2001	01-12-2011	POLYACRYLAMIDE HYDROGEL FOR USE IN THE TREATMENT OF ARTHRITIS	n/a	Closed
Contura A/S	SG	93050	200206865-8	08-25-2001	08-31-2006	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	BE	1564230	05009167.7	25-08-2001	09-03-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)

Contura A/S	CH	1564230	05009167.7	25-08-2001	09-03-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	FR	1564230	05009167.7	25-08-2001	09-03-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	GB	1564230	05009167.7	25-08-2001	09-03-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	IE	1564230	05009167.7	25-08-2001	09-03-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Contura A/S	IT	1564230	05009167.7	25-08-2001	09-03-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	NL	1564230	05009167.7	25-08-2001	09-03-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	SE	1564230	05009167.7	25-08-2001	09-03-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	US		60/314,672	08-27-2001		TEMPERATURE-CONTROLLED PROCESS FOR PREPARATION OF HOMOGENEOUS POLYMERS	n/a	Closed
Contura A/S	DK		20010001266	08-25-2001		TEMPERATURE-CONTROLLED PROCESS FOR PREPARATION OF HOMOGENEOUS POLYMERS	n/a	Closed
Contura A/S	US	20030176602	10/227,265	08-26-2002	09-18-2003	TEMPERATURE-CONTROLLED PROCESS FOR PREPARATION OF HOMOGENEOUS POLYMERS	n/a	Closed

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Contura A/S	PCT	WO03018641	PCT/IB2002/03441	08-26-2002	03-06-2003	TEMPERATURE-CONTROLLED PROCESS FOR PREPARATION OF HOMOGENEOUS POLYMERS	n/a	Closed
Contura A/S	CN	1296393C /ZL02816691.4	20028016691	08-26-2002	01-24-2007	TEMPERATURE-CONTROLLED PROCESS FOR PREPARATION OF HOMOGENEOUS POLYMERS	08-26-2021	Alive (Expires 08-26-2022)
Contura A/S	CN	1970590A	200610149475	08-26-2002	05-30-2007	TEMPERATURE-CONTROLLED PROCESS FOR PREPARATION OF HOMOGENEOUS POLYMERS	n/a	Closed
Contura A/S	HK	1107361	20070113111	11-30-2007	04-03-2008	TEMPERATURE-CONTROLLED PROCESS FOR PREPARATION OF HOMOGENEOUS POLYMERS	n/a	Closed
Contura A/S	JP	4015618B2	20030523500T	08-26-2002	09-21-2007	TEMPERATURE-CONTROLLED PROCESS FOR PREPARATION OF HOMOGENEOUS POLYMERS	09-21-2021	Alive (Expires 08-26-2022)
Contura A/S	KR	100502135B1	20047002730	08-26-2002	07-08-2005	TEMPERATURE-CONTROLLED PROCESS FOR PREPARATION OF HOMOGENEOUS POLYMERS	n/a	Closed
Contura A/S	LB	6336	96-01-0774346	08-27-2001	08-27-2001	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	US		60/479,725	06-20-2003		ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	DK		20030000921	06-20-		ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed

				2003				
Contura A/S	US	7,758,497	10/872,231	06-18-2004	07-20-2010	ENDOSCOPIC ATTACHMENT DEVICE	01-20-2022 (First day open: 07-20-2021)	Alive (Expires 01-31-2026)
Contura A/S	PCT	WO2004/112596	PCT/DK2004/00425	06-18-2004	12-29-2004	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	ZA	200600147A	20060000147	01-03-2006	03-28-2007	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	AT	411767E / 1646311	20040738923T	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	EP	2000078B1	20080163911	06-18-2004	08-11-2010	ENDOSCOPIC ATTACHMENT DEVICE	n/a (after grant, renewals are paid in validated countries)	Alive (indicrectly alive via validated countries)

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Contura A/S	PT	1646311T	20040738923T	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	ES	2316991T3 / 1646311	20040738923T	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	06-30-2021	Alive (Expires 06-18-2024)
Contura A/S	MY	137392A	20040002417	06-21-2004	01-30-2009	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	SG	118603	200508241-7	06-18-2004	01-31-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	MX	267398	PA/a/2005/013964	06-18-2004	06-12-2009	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	MY	142073A	20080000297	06-21-2004	08-30-2010	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	DE	602004028682 / 2000078	200460028682T	06-18-2004	08-11-2010	ENDOSCOPIC ATTACHMENT DEVICE	06-30-2021	Alive (Expires 06-18-2024)
Contura A/S	AU	2004248887BB	20040248887	06-18-	02-11-2010	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Alive (Expires 06-18-2024)

				2004				(Expires 06-18-2024)
Contura A/S	CA	2529952C	20042529952	12-19-2005	03-13-2012	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Alive (Expires 06-18-2024)
Contura A/S	AR	047301AA / 2004P102259	2004P102259	06-25-2004	01-18-2006	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	NO	20060291	20060000291	01-20-2006	01-20-2006	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	EP	1646311B1	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a (after grant, renewals are paid in validated countries)	Alive (indirectly alive via validated countries)
Contura A/S	KR	100971812	20057024318	06-18-	07-15-2010	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

				2004				
Contura A/S	EA	007708B1	20060000045	06-18-2004	12-29-2006	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	CN	100435717/ ZL200480017181.3	200480017181	06-18-2004	11-26-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	BR	PI0411716A	2004PI11716	06-18-2004	08-08-2006	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	HK	1089640B	20060111073	10-09-2006	01-02-2009	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	JP	4616253	20060515721T	06-18-2004	10-29-2010	ENDOSCOPIC ATTACHMENT DEVICE	10-29-2021	Alive (Expires 06-18-2024)
Contura A/S	DE	602004017313D1 / 1646311	200460017313T / 04738923.4	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	06-30-2021	Alive (Expires 06-18-2024)
Contura A/S	IN	228316B	2006DN00171	01-10-	01-30-2009	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed

				2006				
Contura A/S	DK	1646311T3	20040738923T	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	06-30-2021	Alive (Expires 06-18-2024)
Contura A/S	HR	20090033T3/ 1646311	20090000033/ 04738923.4	01-20-2009	01-30-2009	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	NZ	544280A	20040544280	06-18-2004	03-11-2010	ENDOSCOPIC ATTACHMENT DEVICE WITH A RINSING ATTACHMENT THAT ALLOWS THE ENDOSCOPE TUBE TO ROTATE INDEPENDENTLY	06-18-2021	Alive (Expires 06-18-2024)
Contura A/S	IL	172594A1	20040172594	06-18-2004	09-17-2010	ENDOSCOPIC ATTACHMENT DEVICE	06-18-2022	Alive (Expires 06-18-2024)
Contura A/S	TH	67788A /091732	20041002294	06-21-2004	03-04-2005	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	SI	1646311T1/ 1646311	20040031013T/ 04738923.4	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Contura A/S	PL	1646311T3/ 1646311	20040738923T/ 04738923.4	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	CY	1108709T1/ 1646311	20091100069T/ 04738923.4	01-20-2009	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	AL	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	AM	007708	20060000045	06-18-2004	12-29-2006	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	AZ	007708	20060000045	06-18-2004	12-29-2006	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	BE	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	BG	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	BY	007708	20060000045	06-18-2004	12-29-2006	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	CH	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	06-30-2021	Alive (Expires 06-18-2024)
Contura A/S	CZ	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	06-18-2021	Alive

								(Expires 06-18-2024)
Contura A/S	EE	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	FI	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	FR	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	06-30-2021	Alive (Expires 06-18-2024)
Contura A/S	FR	2000078	20080163911	06-18-2004	08-11-2010	ENDOSCOPIC ATTACHMENT DEVICE	06-30-2021	Alive (Expires 06-18-2024)
Contura A/S	GB	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	06-30-2021	Alive (Expires 06-18-2024)
Contura A/S	GB	2000078	20080163911	06-18-2004	08-11-2010	ENDOSCOPIC ATTACHMENT DEVICE	06-30-2021	Alive (Expires 06-18-2024)

Contura A/S	GR	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	HU	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	IE	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	IT	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	06-30-2021	Alive (Expires 06-18-2024)
Contura A/S	IT	2000078	20080163911	06-18-2004	08-11-2010	ENDOSCOPIC ATTACHMENT DEVICE	06-30-2021	Alive (Expires 06-18-2024)
Contura A/S	KG	007708	20060000045	06-18-2004	12-29-2006	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	KZ	007708	20060000045	06-18-2004	12-29-2006	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	LB	7000	7000	06-19-2004	06-19-2004	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	LT	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Contura A/S	LU	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	LV	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	MC	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	MD	007708	20060000045	06-18-2004	12-29-2006	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	MK	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	NL	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	RO	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	RU	007708	20060000045	06-18-2004	12-29-2006	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	SE	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	SK	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	TJ	007708	20060000045	06-18-2004	12-29-2006	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed
Contura A/S	TM	007708	20060000045	06-18-2004	12-29-2006	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Contura A/S	TR	1646311	20040738923	06-18-2004	10-22-2008	ENDOSCOPIC ATTACHMENT DEVICE	n/a	Closed

Registered trade marks:

Current owner	Country	Mark	Registration number	Class / Specification of goods or services	Next renewal date
Contura A/S	Argentina	BULKAMID	2794419	5 Pharmaceutical and veterinary preparations including gels for medical use, especially gels for injection in the urethra for treatment of incontinence; sanitary preparations adapted for medical use; baby food; material for stopping teeth, dental wax, disinfectants; preparations destroying vermin, , fungicides, herbicides.	11-11-2025
Contura A/S	Argentina	BULKAMID	2794417	10 Surgical, medical, dental and veterinary apparatus and instruments, including injection devices, artificial limps, eyes and teeth; orthopaedic articles; suture materials, gels for use in surgery and in	11-11-2025

				plastic surgery and surgical implants, including gels and implants for treatment of incontinence.	
Contura A/S	Australia	BULKAMID	825023	5 Pharmaceutical products and veterinary products for medical use, including gels, particularly gels for injection into the urethra for treating incontinence; sanitary preparations adapted for medical use; food for babies; material for stopping teeth and dental wax, disinfectants, preparations for destroying vermin, fungicides and herbicides; gels for surgical use and for plastic surgery and surgical implants, including gels and implants for the treatment of incontinence. 10 Surgical, medical, dental and veterinary apparatus and instruments; artificial limbs, eyes and teeth; orthopedic articles; suture materials.	04-26-2024

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Contura A/S	Brazil	BULKAMID	826191720	5 Pharmaceutical and veterinary preparations including gels for medical use, especially gels for injection into the urethra for incontinence treatment; sanitary preparations adapted for medical purposes; baby food; material for stopping teeth, dental waxes, disinfectants, preparations for destroying vermin, fungicides, herbicides;	08-14-2027
Contura A/S	Brazil	BULKAMID	826191738	10 Surgical, Medical, Dental And Veterinary Apparatus And Instruments, Including Injection Devices, artificial limbs, Eyes And Teeth; Orthopedic Items; Suture Materials, Surgical Implants	06-29-2030
Contura A/S	Canada	BULKAMID	TMA680344	5 10 (1) Gels for medical purposes, namely gels for injection for treatment of incontinence. (2) Gels for use in surgery and in plastic surgery.	01-25-2022

				(3) Surgical implants. (4) Injection devices (syringes and cystoscopes) for injection of gels for treatment of incontinence.	
Contura A/S	Chile	BULKAMID	1130156	5 Pharmaceutical and veterinary preparations, including gels for medical use, especially gels for injections into the urethra for the treatment of incontinence; sanitary preparations adapted for medical purposes; baby food, material for stopping teeth, dental wax; disinfectants; preparations to destroy harmful animals (vermin), fungicides, herbicides.	08-06-2024
Contura A/S	Chile	BULKAMID	1130154	10 Surgical, medical, dental and veterinary apparatus and instruments, including injection devices, artificial limbs, eyes and teeth; orthopedic articles, suture material, gels for use in surgery and plastic surgery, and surgical implants, including gels	08-06-2024

				and implants for the treatment of incontinence.	
Contura A/S	China	BULKAMID	825023	5 Pharmaceutical products and veterinary products for medical use, including gels, particularly gels for injection into the urethra for treating incontinence; sanitary preparations adapted for medical use; food for babies; material for stopping teeth and dental wax, disinfectants, preparations for destroying vermin, fungicides and herbicides; gels for surgical use and for plastic surgery and surgical implants, including gels and implants for the treatment of incontinence. 10 Surgical, medical, dental and veterinary apparatus and instruments; artificial limbs, eyes and teeth; orthopedic articles; suture materials.	04-26-2024
Contura A/S	Denmark	BULKAMID	VR 2003 02419	5 Pharmaceutical and veterinary preparations, including gels for medical	07-10-2023

				use, especially gels for urethra injection for the treatment of incontinence; sanitary preparations for medical purposes; dietetic preparations for medical use, infant foods, patches and dressings; material for dental sealing and for prints; disinfectants, pest eradication preparations, fungicides and herbicides. 10 Surgical, medical, dental and veterinary apparatus and instruments, artificial limbs, eyes and teeth; orthopedic articles; suture materials; gels for surgical and plastic surgical purposes and surgical implants, including gels and implants for the treatment of incontinence.	
Contura A/S	EU	BULKAMID	003490745	5 Pharmaceutical and veterinary preparations including gels for medical use, especially gels for injection in the urethra for treatment of incontinence; sanitary preparations	10-31-2023

				adapted for medical use; food for babies; material for stopping teeth, dental wax, disinfectants, preparations for destroying vermin, fungicides, herbicides. 10 Surgical, medical, dental and veterinary apparatus and instruments, artificial limbs, eyes and teeth; orthopedic articles; suture materials, gels for use in surgery and in plastic surgery and surgical implants, including gels and implants for treatment of incontinence.	
Contura A/S	India	BULKAMID	1280002	5 Pharmaceutical and veterinary preparations including gels for medical use, especially gels for injection in the urethra for treatment of incontinence, sanitary preparations adapted for medical use, food for babies, material for stopping teeth, dental wax, disinfectants, preparations for	04-21-2024

				destroying vermin, fungicides, herbicides. 10 surgical, medical, dental and veterinary apparatus and instruments, including injection devices, artificial limbs, eyes and teeth, orthopaedic articles, suture materials, gels for use in surgery and in plastic surgery and surgical implants, including gels and implants for treatment of incontinence.	
Contura A/S	Indonesia	BULKAMID	IDM000047382	5 Pharmaceutical and veterinary preparations include gels for medical uses, especially gels for urethral injection for the treatment of incontinence; Sanitary preparations for medical purposes; baby food; Material for stoppig teeth, dental wax; disinfectants; preparations for destroying vermin, fungicides, herbicides.	01-21-2024
Contura A/S	Indonesia	BULKAMID	IDM000047380	10 Surgical, medical, dental and veterinary apparatus and	01-21-2024

				instruments, including injection devices, artificial limbs, eyes and teeth; orthopaedic articles; suture materials, gels for use in surgery and in plastic surgery and surgical implants, including gels and implants for treatment of incontinence.	
Contura A/S	Japan	BULKAMID	825023	5 Pharmaceutical products and veterinary products for medical use, including gels, particularly gels for injection into the urethra for treating incontinence; sanitary preparations adapted for medical use; food for babies; material for stopping teeth and dental wax, disinfectants, preparations for destroying vermin, fungicides and herbicides; gels for surgical use and for plastic surgery and surgical implants, including gels and implants for the treatment of incontinence.	04-26-2024

				10 Surgical, medical, dental and veterinary apparatus and instruments; artificial limbs, eyes and teeth; orthopedic articles; suture materials.	
Contura A/S	Malaysia	BULKAMID	04002794	5 Pharmaceutical and veterinary preparations, namely gels for medical use, especially gels for injection in the urethra for treatment of incontinence; sanitary preparations adapted for medical use; all included in class 5.	03-10-2024
Contura A/S	Malaysia	BULKAMID	04002793	10 Gels for use in surgery and plastic surgery; surgical implants; all included in class 10.	03-10-2024
Contura A/S	Mexico	BULKAMID	825023	5 Pharmaceutical products and veterinary products for medical use, including gels, particularly gels for injection into the urethra for treating incontinence; sanitary preparations adapted for medical use; food for babies; material for stopping teeth and dental wax, disinfectants, preparations for	04-26-2024

				destroying vermin, fungicides and herbicides; gels for surgical use and for plastic surgery and surgical implants, including gels and implants for the treatment of incontinence. 10 Surgical, medical, dental and veterinary apparatus and instruments; artificial limbs, eyes and teeth; orthopedic articles; suture materials.	
Contura A/S	New Zealand	BULKAMID	825023	5 Pharmaceutical products and veterinary products for medical use, including gels, particularly gels for injection into the urethra for treating incontinence; sanitary preparations adapted for medical use; food for babies; material for stopping teeth and dental wax, disinfectants, preparations for destroying vermin, fungicides and herbicides; gels for surgical use and for plastic surgery and surgical implants,	04-26-2024

				including gels and implants for the treatment of incontinence. 10 Surgical, medical, dental and veterinary apparatus and instruments; artificial limbs, eyes and teeth; orthopedic articles; suture materials.	
Contura A/S	Norway	BULKAMID	825023	5 Pharmaceutical products and veterinary products for medical use, including gels, particularly gels for injection into the urethra for treating incontinence; sanitary preparations adapted for medical use; food for babies; material for stopping teeth and dental wax, disinfectants, preparations for destroying vermin, fungicides and herbicides; gels for surgical use and for plastic surgery and surgical implants, including gels and implants for the treatment of incontinence. 10 Surgical, medical, dental and veterinary	04-26-2024

				apparatus and instruments; artificial limbs, eyes and teeth; orthopedic articles; suture materials.	
Contura A/S	Russia	BULKAMID	825023	5 Pharmaceutical products and veterinary products for medical use, including gels, particularly gels for injection into the urethra for treating incontinence; sanitary preparations adapted for medical use; food for babies; material for stopping teeth and dental wax, disinfectants, preparations for destroying vermin, fungicides and herbicides; gels for surgical use and for plastic surgery and surgical implants, including gels and implants for the treatment of incontinence. 10 Surgical, medical, dental and veterinary apparatus and instruments; artificial limbs, eyes and teeth; orthopedic articles; suture materials.	04-26-2024

Contura A/S	Singapore	BULKAMID	825023	5 Pharmaceutical products and veterinary products for medical use, including gels, particularly gels for injection into the urethra for treating incontinence; sanitary preparations adapted for medical use; food for babies; material for stopping teeth and dental wax, disinfectants, preparations for destroying vermin, fungicides and herbicides; gels for surgical use and for plastic surgery and surgical implants, including gels and implants for the treatment of incontinence. 10 Surgical, medical, dental and veterinary apparatus and instruments; artificial limbs, eyes and teeth; orthopedic articles; suture materials.	04-26-2024
Contura A/S	South Africa	BULKAMID	2004/00278	5 Pharmaceutical and veterinary preparations including gels for medical use, especially gels for injection in the urethra for	01-12-2024

				treatment of incontinence; sanitary preparations adapted for medical use; food for babies; material for stopping teeth, dental wax, disinfectants, preparations for destroying vermin, fungicides, herbicides	
Contura A/S	South Africa	BULKAMID	2004/00279	10 Surgical, medical, dental, and veterinary apparatus and instruments, including injection devices, artificial limbs, eyes and teeth; orthopedic articles; suture materials, gels for use in surgery and in plastic surgery and surgical implants, including gels and implants for treatment of incontinence	01-12-2024
Contura A/S	South Korea	BULKAMID	825023	5 Gels for medical use, namely gels for treatment of incontinence; sanitary preparations adapted for medical use, namely sanitary gels for treatment of incontinence 10 Surgical implants; injectable implants for	04-26-2024

				surgical use; injection devices for injection of medical and surgical gels and implants.	
Contura A/S	Switzerland	BULKAMID	520602	5 Pharmaceutical and veterinary preparations, including gels, especially gels for injection in the urethra for treatment of incontinence; sanitary preparations adapted for use medical; baby food; material for filling teeth and for dental impressions, disinfectant, vermin exterminating preparations, fungicides and herbicides; gels for surgical use and for plastic surgery and surgical implants, included gels and implants for processing of incontinence. 10 Surgical, medical, dental and veterinary apparatus and instruments; artificial limbs, eyes and teeth; orthopaedic articles; suturing materials	12-22-2023

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Contura A/S	Taiwan	BULKAMID	1170033	5 Pharmaceuticals and veterinary preparations including medicinal gels, especially gels for injection into the urethra for the treatment of incontinence; sanitary preparations for medical use; baby food; dental filling materials, dental wax, disinfectants, preparations for destroying vermin, fungicides, herbicides. 10 Surgical, medical, dental and veterinary apparatus and instruments, including injection devices, artificial limbs, artificial eyes and false teeth; wound suture materials; gels for use in surgery and surgical implants, including for the treatment of incontinence.	08-15-2025
Contura A/S	Thailand	BULKAMID	Kor207085	5 Pharmaceutical preparations for treatment of urinary incontinence	03-17-2024
Contura A/S	Thailand	BULKAMID	Kor207086	10 Injection devices for medical and surgical use; Gel for use in surgery and	03-17-2024

				plastic surgery; A surgical implant used for correcting facial deformations or deformities; Surgical implants for the treatment of urinary incontinence; Surgical implants for use with surgical treatment of knee injuries	
Contura A/S	Turkey	BULKAMID	825023	5 Pharmaceutical products and veterinary products for medical use, including gels, particularly gels for injection into the urethra for treating incontinence; sanitary preparations adapted for medical use; food for babies; material for stopping teeth and dental wax, disinfectants, preparations for destroying vermin, fungicides and herbicides; gels for surgical use and for plastic surgery and surgical implants, including gels and implants for the treatment of incontinence. 10 Surgical, medical, dental and veterinary	04-26-2024

				apparatus and instruments; artificial limbs, eyes and teeth; orthopedic articles; suture materials.	
Contura A/S	Ukraine	BULKAMID	825023	5 Pharmaceutical products and veterinary products for medical use, including gels, particularly gels for injection into the urethra for treating incontinence; sanitary preparations adapted for medical use; food for babies; material for stopping teeth and dental wax, disinfectants, preparations for destroying vermin, fungicides and herbicides; gels for surgical use and for plastic surgery and surgical implants, including gels and implants for the treatment of incontinence. 10 Surgical, medical, dental and veterinary apparatus and instruments; artificial limbs, eyes and teeth; orthopedic articles; suture materials.	04-26-2024

Contura A/S	United Kingdom	BULKAMID	UK00903490745	5 Pharmaceutical and veterinary preparations including gels for medical use, especially gels for injection in the urethra for treatment of incontinence; sanitary preparations adapted for medical use; food for babies; material for stopping teeth, dental wax, disinfectants, preparations for destroying vermin, fungicides, herbicides. 10 Surgical, medical, dental and veterinary apparatus and instruments, artificial limbs, eyes and teeth; orthopedic articles; suture materials, gels for use in surgery and in plastic surgery and surgical implants, including gels and implants for treatment of incontinence.	10/31/2023
Contura A/S	US	BULKAMID	4315566	5: Pharmaceutical and veterinary preparations, namely, gels for medical use, injectable gels for surgical use and injectable surgical implants in the	04-09-2023

				form of living tissue, all for the treatment of urinary and anal incontinence 10 medical, surgical and injectable implants made of artificial materials, also in the form of gels and for the treatment of urinary and anal incontinence; injection tools in the nature of medical syringes for injecting gels and injectable implants	
Contura A/S	Vietnam	BULKAMID	825023	5 Pharmaceutical products and veterinary products for medical use, including gels, particularly gels for injection into the urethra for treating incontinence; sanitary preparations adapted for medical use; food for babies; material for stopping teeth and dental wax, disinfectants, preparations for destroying vermin, fungicides and herbicides; gels for surgical use and for plastic surgery and surgical implants, including gels and	04-26-2024

				implants for the treatment of incontinence. 10 Surgical, medical, dental and veterinary apparatus and instruments; artificial limbs, eyes and teeth; orthopedic articles; suture materials.	
Contura A/S	WIPO	BULKAMID	825023	5 Pharmaceutical products and veterinary products for medical use, including gels, particularly gels for injection into the urethra for treating incontinence; sanitary preparations adapted for medical use; food for babies; material for stopping teeth and dental wax, disinfectants, preparations for destroying vermin, fungicides and herbicides; gels for surgical use and for plastic surgery and surgical implants, including gels and implants for the treatment of incontinence. 10 Surgical, medical, dental and veterinary apparatus and	04-26-2024

				instruments; artificial limbs, eyes and teeth; orthopedic articles; suture materials.	

Other material Intellectual Property:

Details of other material Intellectual Property (including, for example, Know-how, trade secrets, unregistered trade marks, registered or unregistered copyrights, and database rights, and including details of authorship and first use / date of creation, where relevant) to be transferred from the Vendor's Group to an Acquired Group Company on Completion pursuant to the Pre-Completion Reorganisation:

Unregistered / common law trade marks

RECTAMID (word mark)

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Domain names and social media accounts

Current owner	Domain	Renewal Date
Contura International A/S	bulkamid.cn	03-16-2021
Contura International A/S	bulkamid.co.uk	03-16-2021
Contura International A/S	bulkamid.com	08-18-2021
Contura International A/S	bulkamid.com.mx	03-16-2021
Contura International A/S	bulkamid.de	08-20-2021
Contura International A/S	bulkamid.es	11-08-2021
Contura International A/S	bulkamid.fr	03-23-2021
Contura International A/S	bulkamid.info	08-18-2021
Contura International A/S	bulkamid.it	04-12-2021
Contura International A/S	bulkamid.jp	03-31-2021
Contura International A/S	bulkamid.nl	12-31-2021
Contura International A/S	bulkamid.se	03-16-2021
Contura International A/S	bulkamid.us	11-25-2021
Contura International A/S	bulkamidacademy.co.uk	05-14-2021
Contura International A/S	bulkamidacademy.com	05-14-2021
Contura International A/S	bulkamidtraining.co.uk	03-26-2021
Contura International A/S	bulkamidtraining.com	03-26-2021
Contura International A/S	controlyourchoice.com	02-07-2022
Contura International A/S	Controlyourchoice.co.uk	02-19-2022
Contura International A/S	Rectamid.com	09-09-2021
Contura International A/S	https://www.facebook.com/Bulkamid-921968917891980/	N/A

Contura International A/S	https://twitter.com/bulkamid	N/A

Field-specific Know-how:

All Know-how that exclusively relates to the Field, including, but not limited to:

Know-how that exclusively relates to the Bulkamid Product and/or the Manufacture of the Bulkamid Product; and
Know-how that exclusively relates to Rectamid and/or the Manufacture of Rectamid.

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

3. BUSINESS IP TO BE LICENCED TO THE COMPANY FROM COMPLETION PURSUANT TO THE CROSS-LICENCE AGREEMENT AND KNOW-HOW LICENCE AGREEMENT

Registered trade marks (to be licenced through the Cross-Licence Agreement):

Current owner	Country	Mark	Registration number	Class / Specification of goods or services	Next renewal date
Contura A/S	EU	Droplet Design 	017690769	5 Gels for medical and surgical purposes, injectable gels for medical, surgical, reconstruction and aesthetic purposes and for the treatment of incontinence. 10 Surgical implants, medical implants and injectable implants, also in the form of gels and for the treatment of incontinence.	01-16-2028
Contura A/S	United Kingdom	Droplet Design 	UK00917690769	5 Gels for medical and surgical purposes, injectable gels for medical, surgical, reconstruction and aesthetic purposes and for the treatment of incontinence.	01-19-2028

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

				10 Surgical implants, medical implants and injectable implants, also in the form of gels and for the treatment of incontinence.	
Contura A/S	EU	Droplet Design 	017690777	5 Gels for medical and surgical purposes, injectable gels for medical, surgical, reconstruction and aesthetic purposes and for the treatment of incontinence. 10 Surgical implants, medical implants and injectable implants, also in the form of gels and for the treatment of incontinence.	01-16-2028
Contura A/S	United Kingdom	Droplet Design 	UK00917690777	5 Gels for medical and surgical purposes, injectable gels for medical, surgical, reconstruction and aesthetic purposes and for the treatment of incontinence. 10 Surgical implants, medical implants and injectable implants, also in the form of gels	01-16-2028

				and for the treatment of incontinence.	
Contura A/S	EU	Droplet Design 	017690827	5 Gels for medical and surgical purposes, injectable gels for medical, surgical, reconstruction and aesthetic purposes and for the treatment of incontinence. 10 Surgical implants, medical implants and injectable implants, also in the form of gels and for the treatment of incontinence.	01-16-2028
Contura A/S	United Kingdom	Droplet Design 	UK00917690827	5 Gels for medical and surgical purposes, injectable gels for medical, surgical, reconstruction and aesthetic purposes and for the treatment of incontinence. 10 Surgical implants, medical implants and injectable implants, also in the form of gels and for the treatment of incontinence.	01-16-2028

Relevant, non Field-specific, Know-how (to be licenced through the Know-how Licence Agreement):

All Know-how that is relevant to the Field but does not exclusively relate to the Field, including, but not limited to:

- Know-how that is relevant to, but does not exclusively relate to, the Bulkamid Product and/or the Manufacture of the Bulkamid Product; and
- Know-how that that is relevant to, but does not exclusively relate to, Rectamid and/or the Manufacture of Rectamid.

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

4. BUSINESS IP TO BE LICENCED TO VENDOR PURSUANT TO CROSS-LICENCE AGREEMENT

Registered patents and patent applications:

Current owner	Country	Publication / Patent number	Application number	Date filed	Date Published / Granted	Title	Next renewal date	Status
Contura A/S	US		60/228,081	08-25-2000		POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	US	7,780,958	09/938,667	08-27-2001	08-24-2010	POLYACRYLAMIDE HYDROGEL FOR THE TREATMENT OF INCONTINENCE AND VESICOURETAL REFLUX	02-24-2022 (first day open 08-24-2021)	Alive (Expires 08-27-2021)
Contura A/S	US	7,678,146	09/938,670	08-27-2001	03-16-2010	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	09-16-2021 (first day open 03-16-2021)	Alive (Expires 08-27-2021)
Contura A/S	US	7,935,361	09/938,669	08-27-2001	05-03-2011	POLYACRYLAMIDE HYDROGEL AS A SOFT TISSUE FILLER ENDOPROSTHESIS	11-03-2022 (first day open 05-03-2022)	Alive (Expires 08-27-2021)

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Contura A/S	US	7,186,419	09/938,668	08-27-2001	03-06-2007	POLYACRYLAMIDE HYDROGEL FOR ARTHRITIS	n/a	Alive (Expires 04-21-2022)
Contura A/S	AR	032764AA	2001P104075	08-27-2001	09-30-2010	A HYDROGEL, ITS USE, METHOD FOR ITS PREPARATION, AN IMPLANTABLE OR INJECTABLE ENDOPROTHESIS THAT INCLUDES IT AND METHODS THAT USE SUCH HYDROGELPOLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	TH	80743A	20011003450	08-27-2001	10-31-2006	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	MY	130475A	20010004007	08-25-2001	06-29-2007	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	US	8,216,561	11/469,213	08-31-2006	07-10-2012	POLYACRYLAMIDE HYDROGEL FOR THE TREATMENT OF INCONTINENCE AND VESICOURETAL REFLUX	01-10-2024 (first day open 07-10-2023)	Alive (Expires 01-05-2026)
Contura A/S	US	7,790,194	11/099,527	04-06-2005	09-07-2010	POLYACRYLAMIDE HYDROGEL AS A SOFT TISSUE FILLER ENDOPROSTHESIS	03-07-2022 (first day open 09-07-2021)	Alive (Expires 08-27-2021)

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Contura A/S	DK		20000001262	08-25-2000		POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	PCT	WO02/16453	PCT/DK2001/00565	08-25-2001	02-28-2002	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	ZA	200208717A	20020008717	10-28-2002	02-10-2004	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	ES	2214988T3 / 1418188	20040002645T	08-25-2001	11-11-2009	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	ES	2237588T5 / 1287048	20010960207T	08-25-2001	04-27-2008	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	PT	1287048T	20010960207T	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	DE	60140489D1 / 1418188	20016040489T	08-25-2001	11-11-2009	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	DE	60144200D1 / 1564230	20016044200T	08-25-2001	03-09-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next	Alive (Expires 08-25-2021)

							renewal date)	
Contura A/S	ES	2362583T3 / 1564230	20050009167T	08-25-2001	03-09-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	EP	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (after grant, renewals are paid in validated countries)	Alive (indirectly alive via validated countries)
Contura A/S	BE	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	CH	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)

Contura A/S	FI	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	FR	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	CY	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	GB	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	GR	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	IE	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	IT	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to	Alive (Expires 08-25-2021)

							next renewal date)	(Expires 08-25-2021)
Contura A/S	LU	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	MC	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	NL	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	SE	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	TR	1287048	01960207.7	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	AU	2001281763BB	20010281763	08-25-2001	10-19-2006	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	NO	20025198L	20020005198	10-30-2002	12-18-2002	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	IL	152803A1	20010152803	08-25-2001	12-02-2009	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	HU	0302054AC	20030002054	08-25-2001	10-29-2007	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Contura A/S	BG	66025B1	20020107397	12-17-2002	08-27-2010	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	HK	1054396B	20030106346	09-05-2003	10-07-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	RU	2301814C2	20030107927	08-25-2001	06-27-2007	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	EE	05367B1	20020000692	08-25-2001	12-15-2010	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	AT	294198E / 1287048	20010960207T	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	DK	1287048T4	20010960207T	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Contura A/S	DE	60110413T3 /1287048	20016010413T	08-25-2001	04-27-2005	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	IN	209617B	2003CN00302	02-20-2003	09-05-2007	A PROSTHETIC DEVICE FOR SOFT TISSUE AUGMENTATION	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	IL	210064A1	20010210064	08-25-2001	12-31-2014	USE OF A POLYACRYLAMIDE HYDROGEL FOR THE PREPARATION OF AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	IL	196770A1	20010196770	08-25-2001	02-01-2013	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	EP	1418188B1	04002645.2	08-25-2001	11-11-2009	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	FR	1418188B1	04002645.2	08-25-2001	11-11-2009	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed

Contura A/S	GB	1418188B1	04002645.2	08-25-2001	11-11-2009	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	IT	1418188B1	04002645.2	08-25-2001	11-11-2009	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	NL	1418188B1	04002645.2	08-25-2001	11-11-2009	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	BR	PI0204593-1	PI0204593-1	07-11-2002	02-14-2018	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	11-07-2021	Alive (Expires 02-14-2028)
Contura A/S	EP	1564230B1	20050009167	08-25-2001	03-09-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (after grant, renewals are paid in validated countries)	Alive (indirectly alive via validated countries)
Contura A/S	DK	1418188T3	20040002645T	08-25-2001	11-11-2009	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	DK	1564230T3	20050009167T	08-25-2001	03-09-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to	Alive

							next renewal date)	(Expires 08-25-2021)
Contura A/S	AU	2006220922BB	20060220922	09-22-2006	08-21-2008	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	EP	2272881A2	20100182169	08-25-2001	01-12-2011	POLYACRYLAMIDE HYDROGEL FOR USE IN THE TREATMENT OF ARTHRITIS	n/a	Closed
Contura A/S	SG	93050	200206865-8	08-25-2001	08-31-2006	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed
Contura A/S	BE	1564230	05009167.7	25-08-2001	09-03-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	CH	1564230	05009167.7	25-08-2001	09-03-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next	Alive (Expires 08-25-2021)

							renewal date)	
Contura A/S	FR	1564230	05009167.7	25-08-2001	09-03-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	GB	1564230	05009167.7	25-08-2001	09-03-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	IE	1564230	05009167.7	25-08-2001	09-03-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	IT	1564230	05009167.7	25-08-2001	09-03-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next	Alive (Expires 08-25-2021)

							renewal date)	
Contura A/S	NL	1564230	05009167.7	25-08-2001	09-03-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	SE	1564230	05009167.7	25-08-2001	09-03-2011	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a (Expires prior to next renewal date)	Alive (Expires 08-25-2021)
Contura A/S	US		60/314,672	08-27-2001		TEMPERATURE-CONTROLLED PROCESS FOR PREPARATION OF HOMOGENEOUS POLYMERS	n/a	Closed
Contura A/S	DK		20010001266	08-25-2001		TEMPERATURE-CONTROLLED PROCESS FOR PREPARATION OF HOMOGENEOUS POLYMERS	n/a	Closed
Contura A/S	US	20030176602	10/227,265	08-26-2002	09-18-2003	TEMPERATURE-CONTROLLED PROCESS FOR PREPARATION OF HOMOGENEOUS POLYMERS	n/a	Closed
Contura A/S	PCT	WO03018641	PCT/IB2002/03441	08-26-2002	03-06-2003	TEMPERATURE-CONTROLLED PROCESS FOR PREPARATION OF HOMOGENEOUS POLYMERS	n/a	Closed

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Contura A/S	CN	1296393C /ZL02816691.4	20028016691	08-26-2002	01-24-2007	TEMPERATURE-CONTROLLED PROCESS FOR PREPARATION OF HOMOGENEOUS POLYMERS	08-26-2021	Alive (Expires 08-26-2022)
Contura A/S	CN	1970590A	200610149475	08-26-2002	05-30-2007	TEMPERATURE-CONTROLLED PROCESS FOR PREPARATION OF HOMOGENEOUS POLYMERS	n/a	Closed
Contura A/S	HK	1107361	20070113111	11-30-2007	04-03-2008	TEMPERATURE-CONTROLLED PROCESS FOR PREPARATION OF HOMOGENEOUS POLYMERS	n/a	Closed
Contura A/S	JP	4015618B2	20030523500T	08-26-2002	09-21-2007	TEMPERATURE-CONTROLLED PROCESS FOR PREPARATION OF HOMOGENEOUS POLYMERS	09-21-2021	Alive (Expires 08-26-2022)
Contura A/S	KR	100502135B1	20047002730	08-26-2002	07-08-2005	TEMPERATURE-CONTROLLED PROCESS FOR PREPARATION OF HOMOGENEOUS POLYMERS	n/a	Closed
Contura A/S	LB	6336	96-01-0774346	08-27-2001	08-27-2001	POLYACRYLAMIDE HYDROGEL AND ITS USE AS AN ENDOPROSTHESIS	n/a	Closed

SCHEDULE 8
Tax

Part 1: Definitions

1. DEFINITIONS AND INTERPRETATION

1.1 The following definitions and rules of interpretation in this paragraph apply in this Schedule:

"**Accounts Relief**" means:

(a) any Relief to the extent that it has been taken into account in computing (and so reducing or eliminating) any provision for deferred tax in the Completion Accounts or which but for such Relief would have appeared in the Completion Accounts; and

(b) any Relief to the extent that it has been shown as an asset in the Completion Accounts;

"**Agreed Rate**" means 3% per annum above Barclays Bank plc's base rate from time to time;

"**Balancing Payment**" means a payment made pursuant to Part 4 of the Taxation (International and Other Provisions) Act 2010;

"**CAA 2001**" means the Capital Allowances Act;

"**CFA 2017**" means the Criminal Finances Act 2017;

"**CTA 2009**" means the Corporation Tax Act 2009;

"**Dispute**" means any dispute, appeal, negotiations or other proceedings in connection with a Tax Claim;

"**Event**" includes (without limitation) the expiry of a period of time, any Acquired Group Company becoming or ceasing to be associated or connected with any other person for any Tax purpose or ceasing to be or becoming resident in any country for any Tax purpose, the death or the winding up or dissolution of any person, the earning, receipt or accrual for any Tax purpose of any income, profit or gains, the incurring of any loss or expenditure, and any transaction (including the execution and completion of all provisions of this Agreement), event, act or omission whatsoever, and any reference to an Event occurring on or before a particular date shall include Events which for Tax purposes are deemed to have or are regarded as having occurred on or before that date;

"**Group Relief**" means any Relief available to be surrendered, shared or transferred between members of a Tax group;

"**IHTA 1984**" means the Inheritance Tax Act 1984;

"**ITEPA 2003**" means the Income Tax (Earnings and Pensions) Act 2003;

"**Liability for Taxation**" means:

(a) any liability of an Acquired Group Company to make an actual payment of or in respect of Tax whether or not the same is primarily payable by that Acquired Group Company and whether or not that Acquired Group Company has or may have any right of reimbursement against any other person, in which case the amount of the Liability for Taxation shall be the amount of the actual payment;

(b) the Loss of all or any part of an Accounts Relief within paragraph (a) of the definition of that term, in which case the amount of the Liability for Taxation will be the amount of Tax which would (on the basis of Tax rates current at the date of the Completion Accounts) have been saved but for such Loss, on the assumption that there are sufficient profits against which to set the Accounts Relief, or where the Relief is the right to repayment of Tax or to a payment in respect of Tax, the amount of the repayment or payment to the extent that it has been Lost;

(c) the Loss of all or part of an Accounts Relief within paragraph (b) of the definition of that term, in which case the amount of the Liability for Taxation shall be equal to the amount of the reduction that there would have been in the value of the asset had the Loss been known about when the Completion Accounts were prepared;

(d) the use or setting off of any Purchaser's Relief in circumstances where, but for such use or set off, an Acquired Group Company would have had a liability to make a payment of or in respect of Tax for which the Purchaser would have been able to make a claim against the Vendor under this Schedule, in which case, the amount of the Liability for Taxation shall be the amount of Tax for which the Vendor would have been liable but for such use or set off; and

(e) any liability of an Acquired Group Company to make a payment pursuant to an indemnity, guarantee or covenant entered into before Completion under which that Acquired Group Company has agreed to meet or pay a sum equivalent to or by reference to another person's Tax liability, in which case the Liability for Taxation shall be equal to the amount of the liability;

(f) any liability of an Acquired Group Company to make a payment (other than to another Acquired Group Company) for Group Relief or for a transferred Tax refund or of a Balancing Payment pursuant to any arrangement entered into before Completion, or any liability of an Acquired Group Company to make a repayment (other than to another Acquired Group Company) of any such payment received by it before Completion, in each case where such liability is not recognised as a

liability in the Completion Accounts, in which case the amount of the Liability for Taxation shall be equal to the amount required to be paid or repaid;

"**Loss**" means absence, failure to obtain, non-existence, non-availability, reduction, nullification, disallowance or claw-back for whatever reason;

"**Overprovision**" means the amount by which any provision for Tax (other than deferred tax) in the Completion Accounts is overstated or any right to repayment of Tax is understated in the Completion Accounts, except to the extent that such overstatement or understatement arises as a result of:

(a) any change in the law of Tax (other than a change targeted specifically at countering a tax avoidance scheme to which an Acquired Group Company has been party before Completion) announced and coming into force after Completion (whether relating to rates of Tax or otherwise) or any change in or withdrawal of any extra-statutory concession previously made by a Tax Authority (in each case whether or not the change or withdrawal purports to be effective retrospectively in whole or in part);

(b) a voluntary act, transaction or omission after Completion of the relevant Acquired Group Company outside the ordinary course of its business (as such business was carried on at Completion) or the Purchaser; or

(c) the use or set off after Completion of:

(i) any Purchaser's Relief; or

(ii) any Relief which has been taken into account in computing and reducing the liability of the Vendor under the Tax Warranties or this Schedule;

"**Purchaser's Relief**" means:

(a) any Accounts Relief;

(b) any Relief which arises in connection with any Event occurring after Completion; and

(c) any Relief whenever arising, of the Purchaser or any member of the Purchaser's Tax Group other than the Group;

"**Relief**" includes any loss, relief, allowance, credit, exemption or set off in respect of Tax or any deduction in computing income, profits or gains for any Tax purpose and any right to a repayment of Tax or to a payment in respect of Tax;

"**Saving**" means the reduction or elimination of any liability of any Acquired Group Company, the Purchaser or any member of the Purchaser's Tax Group to make an actual payment of Taxation in respect of which the Vendor would not, disregarding the Vendor's monetary limit in paragraph 2.3 of Schedule 6, have been liable under paragraph 1 of Part 2 of this Schedule 8 by the use of any Relief arising as a result of, or in respect of, a Liability for Taxation in respect of which the Vendor is or was liable to make a payment under paragraph 1 of Part 2 of this Schedule 8;

"**Tax**" or "**Taxation**" means all forms of taxation and statutory, governmental, state, federal, provincial, local, government or municipal charges, duties, imposts, contributions, levies, withholdings or liabilities in the nature of taxation wherever chargeable and whether of the United Kingdom or any other jurisdiction (including, for the avoidance of doubt, pay as you earn ("**PAYE**") and national insurance contributions in the United Kingdom and corresponding obligations elsewhere) and all interest, penalties, surcharges, fines, relating to any of the above (including interest and penalties arising from the failure of an Acquired Group Company to make adequate instalment payments under the Corporation Tax (Instalment Payments) Regulations 1998 (SI 1998/3175) in any period ending on or before Completion) or to a failure to make any return, comply with any reporting requirements or supply any information in connection with any of the above;

"**Tax Authority**" means any government, state or municipality or any local, state, federal or other fiscal, revenue, customs or excise authority, body or official competent to impose, administer, levy, assess or collect Tax in the United Kingdom or elsewhere;

"**Tax Claim**" means any assessment, notice, demand, letter or other document issued or action taken by or on behalf of any Tax Authority or any self-assessment from which it appears that an Acquired Group Company is or may be subject to a Liability for Taxation in respect of which the Vendor is or may be liable under this Schedule or in respect of a Tax Warranty Claim;

"**Tax Group**" means those companies which are from time to time treated as members of the same group or are otherwise connected or associated in any way for any Tax purpose;

"**Taxation Statute**" means any directive, statute, enactment, law or regulation wherever enacted or issued, coming into force or entered into providing for or imposing any Tax and shall include orders, regulations, instruments, bye laws or other subordinate legislation made under the relevant statute or statutory provision and any directive, statute, enactment, law, order, regulation or provision which amends, extends, consolidates or replaces the same or which has been amended, extended, consolidated or replaced by the same;

"**TCGA 1992**" means the Taxation of Chargeable Gains Act 1992;

"**TMA 1970**" means the Taxes Management Act 1970; and

"**Vendor's Tax Group**" means:

(a) the Vendor;

(b) those companies which are from time to time treated as members of the same group as or otherwise connected or associated in any way for any Tax purpose with the Vendor; and

(c) those companies which have at any time prior to Completion been treated as members of the same group as or been otherwise connected or associated in any way for any Tax purpose with an Acquired Group Company,

but does not include any Acquired Group Company.

1.2 References to gross receipts, income, profits or gains earned, accrued or received shall include any gross receipts, income, profits or gains deemed pursuant to the relevant Taxation Statute to have been or treated or regarded as earned, accrued or received.

1.3 References to a repayment of Tax shall include any repayment supplement or interest in respect of it.

1.4 Unless the contrary intention appears in this Schedule, words and expressions defined in this Agreement have the same meaning in this Schedule and any provisions in this Agreement concerning matters of construction or interpretation also apply in this Schedule.

1.5 Any stamp duty which is charged on any document or, in the case of a document which is outside the United Kingdom, any stamp duty which would be charged on the document if it were brought into the United Kingdom, which is necessary to establish the title of an Acquired Group Company to any asset, and any interest, fine or penalty relating to such stamp duty, shall be deemed to be a liability of that Acquired Group Company to make an actual payment of Taxation in consequence of an Event arising on the last day on which it would have been necessary to pay such stamp duty in order to avoid any liability to interest or penalties arising on it.

1.6 References to the due date for payment of any Tax shall mean the last day on which that Tax may, by law, be paid without incurring any penalty, fine, surcharge, interest or other similar imposition (after taking into account any postponement of the date that was obtained for the payment of that Tax).

1.7 References in this Schedule to "the W&I Policy" shall be to the W&I Policy in the form entered into on or around the date of this Agreement.

Part 2: Covenant

2. COVENANT

2.1 The Vendor covenants with the Purchaser that, subject to the provisions of this Schedule, the Vendor shall pay to the Purchaser an amount equal to any:

(a) Liability for Taxation resulting from or in respect of any Event occurring on or before Completion or in respect of any gross receipts, income, profits or gains earned, accrued or received by an Acquired Group Company on or before Completion;

(b) Liability for Taxation which is the liability of any person other than an Acquired Group Company, the Purchaser or any other member of the Purchaser's Tax Group (the "**Primary Person**") and for which an Acquired Group Company, the Purchaser or any other member of the Purchaser's Tax Group is liable in consequence of that Acquired Group Company's relationship with the Primary Person prior to Completion and the Primary Person failing to discharge such Liability for Taxation;

(c) Liability for Taxation which is a liability for inheritance tax and which:

(i) is a liability of an Acquired Group Company and arises as a result of a transfer of value occurring or being deemed to occur on or before Completion (whether or not in conjunction with the death of any person whenever occurring); or

(ii) has given rise at Completion to a charge, mortgage or power of sale on any of the Shares or on the assets of any Acquired Group Company; or

(iii) gives rise after Completion to a charge on any of the Shares or on any assets of any Acquired Group Company as a result of the death of any person within seven years of a transfer of value which occurred before Completion;

(d) Liability for Taxation being:

(i) Employer Class 1 national insurance contributions (secondary) (together with any interest, fines and penalties); or

(ii) Employee Class 1 national insurance contributions (primary) and income tax (in each case together with any interest, fines and penalties);

arising at any time:

(iii) in respect of the grant, exercise, surrender, exchange or other disposal of an option or other right to acquire securities where the grant of the option or other right to acquire the security occurred on or before Completion; or

(iv) in respect of any acquisition, vesting, holding, variation or disposal of employment-related securities (as defined for the purposes of Part 7 of ITEPA 2003), or any equivalent securities legally or beneficially held by individuals who are resident for Tax purposes outside the United Kingdom, where the acquisition of the security occurred on or before Completion;

(e) Liability for Taxation that arises at any time under Part 7A of ITEPA 2003 where the arrangement within section 554A of ITEPA 2003 giving rise to the charge was entered into on or before Completion (other than any arrangement involving the Purchaser or any other member of the Purchaser's Tax Group);

(f) Liability for Taxation arising in connection with or as a result of the debt financing of the German subsidiary;

(g) Liability for Taxation arising in connection with or as a result of the Pre-Completion Reorganisation; and

(h) reasonable costs and expenses (including legal costs and the cost of removing any charge or other encumbrance imposed by a Tax Authority) properly incurred by the Purchaser, an Acquired Group Company or any member of the Purchaser's Tax Group in connection with any Liability for Taxation in respect of which the Vendor is liable under this Schedule or in successfully taking any action under this Schedule.

2.2 For the purposes of paragraph 2.1(c), in determining whether a charge on the Shares or on any assets of an Acquired Group Company arises at any time, or whether there is a liability for inheritance tax, the fact that any Tax may be paid in instalments shall be disregarded and such Tax shall be treated for the purposes of this Schedule as becoming due or to have become due and a charge as arising or having arisen on the date of the transfer of value or other date or Event on or in respect of which it becomes payable or arises.

2.3 The provisions of section 213 of IHTA 1984 (refund by instalments) shall be deemed not to apply to any liability for inheritance tax within paragraph 2.1(c).

3. PAYMENT DATE AND INTEREST

3.1 Payment by the Vendor in respect of any liability under this Schedule must be made in cleared and immediately available funds on or before the later of the date which is five

Business Days after the date on which the Purchaser serves notice on the Vendor requesting payment and the following dates (in each case the "**Due Date**"):

(a) in the case of a Liability for Taxation that involves an actual payment of or in respect of Tax, or in the case of a Liability for Taxation within paragraph (f) of the definition of Liability for Taxation, or in the case of a liability under paragraph 2.1(h) (costs and expenses), the date which is five Business Days before the due date for payment; or

(b) in the case of the Loss of a right to repayment of Tax which is a Liability for Taxation within paragraph (c) of the definition of Liability for Taxation, the date which is five Business Days following the date on which the Purchaser serves notice on the Vendor requesting payment; or

(c) in a case that involves the Loss of an Accounts Relief (other than a right to repayment of Tax), the last date upon which Tax is or would have been required to be paid to the relevant Tax Authority in respect of the earlier of:

(i) the period in which the Loss of the Accounts Relief gives rise to an actual liability to pay Tax; or

(ii) the period in which the Loss of the Accounts Relief occurs;

(d) in a case that falls within paragraph (d) of the definition of Liability for Taxation, the date upon which the Tax saved by an Acquired Group Company is or would have been required to be paid to the relevant Tax Authority.

3.2 Any dispute as to the amount payable under paragraph 2.1(b) to paragraph 2.1(d) (inclusive) shall be determined by the auditors of the relevant Acquired Group Company for the time being, acting as experts and not as arbitrators (the costs of that determination being shared equally by the Vendor and the Purchaser).

3.3 For the avoidance of doubt, if any sums required to be paid by the Vendor under this Schedule are not paid on the relevant Due Date, the provisions of clause 35.4 shall apply.

4. EXCLUSIONS

4.1 The covenants contained in paragraph 2.1 above shall not apply to any Liability for Taxation, and the Vendor shall not be liable under the Tax Warranties in respect of any Liability for Taxation, if and to the extent that:

(a) provision or reserve (other than a provision for deferred tax) in respect of the Liability for Taxation is made in the Completion Accounts or the Liability for Taxation was otherwise reflected in the Completion Accounts; or

(b) it was discharged on or before Completion and the discharge of such Liability for Taxation was reflected in the Completion Accounts; or

(c) it arises or is increased as a result only of any change in the law of Tax (other than a change targeted specifically at countering a tax avoidance scheme to which an Acquired Group Company has been party before Completion) announced and coming into force after Completion (whether relating to rates of Tax or otherwise) or any change in or withdrawal of any extra-statutory concession previously made by a Tax Authority (in each case whether or not the change or withdrawal purports to be effective retrospectively in whole or in part) provided that this paragraph (c) shall not apply to any payment made under Clause 16.2 to Clause 16.6 (inclusive) (Tax); or

(d) it would not have arisen but for a change after Completion in the bases, methods, or policies relating to accounting or Taxation of an Acquired Group Company (including a change in accounting reference date or the period in respect of which accounts are made up) other than a change made in order to comply with generally accepted accounting practice in the United Kingdom as at Completion or in order to comply with any applicable law or generally published HMRC practice in relation to Taxation; or

(e) it would not have arisen but for a voluntary act, transaction or omission after Completion of the relevant Acquired Group Company or the Purchaser outside the ordinary course of its business (as such business was carried on at Completion) which the Purchaser was aware or ought reasonably to have been aware would give rise to the Liability for Taxation; or

(f) it has been made good without cost or loss to any Acquired Group Company, the Purchaser or any member of the Purchaser's Tax Group; or

(g) it arises or is increased by virtue of the failure or omission by an Acquired Group Company or the Purchaser to make any claim, election, surrender or disclaimer or give any notice or consent or do any other thing after Completion (other than a failure or omission made at the written request of the Vendor), the making, giving or doing of which was taken into account or assumed in computing (and so reducing) any provision or reserve for Tax in the Completion Accounts; or

(h) it constitutes interest, penalties, a fine or a surcharge arising from a failure to pay Tax to a Tax Authority promptly after the Vendor has made a payment of an amount to the Purchaser in respect of a Tax Liability pursuant to a Tax Claim; or

(i) it arises in connection with any failure to make an instalment payment or the making of an insufficient instalment payment prior to Completion under the Corporation Tax (Instalment Payments) Regulations 1998 in circumstances where the payments (if any) made prior to Completion would not subsequently have proved to have been insufficient but for the profits and gains earned by an Acquired Group

Company after Completion proving to be greater than those expected at the date of the relevant instalment payment to be earned, accrued or received by the relevant Acquired Group Company after Completion, and the instalment payments made prior to Completion were appropriate for the profits and gains expected; or

(j) it arises or is increased as a consequence of any claim, election, surrender, disclaimer, withdrawal or amendment made or notice or consent given after Completion by the Purchaser, an Acquired Group Company or any member of the Purchaser's Tax Group under the provisions of any enactment or regulation relating to Tax other than any claim, election, surrender, disclaimer, withdrawal or amendment, notice or consent assumed to have been made, given or done (and communicated to the Purchaser prior to finalisation of the Completion Accounts) in computing (and so reducing) the amount of any allowance, provision or reserve in the Completion Accounts; or

(k) it would not have arisen but for a cessation, or change in the nature or conduct, in each case after Completion, of any trade or business carried on by an Acquired Group Company at Completion; or

(l) after deduction of any reasonable costs incurred by the relevant Acquired Group Company (excluding for the avoidance of doubt any premium paid for the W & I Policy) recovery has been made at no cost to the relevant Acquired Group Company in respect of it from any person other than an Acquired Group Company or under the W&I Policy; or

(m) any Relief other than a Purchaser's Relief is available (or would have been so available had it not already been used to mitigate one or more Tax Liabilities of an Acquired Company which arose in respect of a period or an Event occurring after Completion and had the relevant Acquired Group Company taken any reasonable procedural or administrative action which was available to the Acquired Group Company to cause the Relief to be available) to reduce or eliminate such Tax Liability; or

(n) it consists of any costs or expenses of the Purchaser or an Acquired Group Company which are incurred in connection with the Purchaser or an Acquired Group Company disputing resisting or appealing against a Tax Claim that relates to a Tax Liability after the date from which the Purchaser or the relevant Acquired Group Company is entitled pursuant to paragraph 9 to deal with the Tax Claim as it thinks fit; or

(o) recovery has already been made in respect of it by the Purchaser, a member of the Purchaser's Tax group or an Acquired Group Company under the Tax Warranties, the Tax Covenant, any other provision of this Agreement or any statutory right of recovery.

4.2 For the purposes of paragraph 4.1(e) and paragraph (b) of the definition of "Overprovision" in paragraph 1.1 of Part 1, an act will not be regarded as voluntary if undertaken pursuant to a legally binding obligation entered into by an Acquired Group Company on or before Completion or imposed on a Acquired Group Company by any legislation whether coming into force before, on or after Completion or for the purpose of avoiding or mitigating a penalty imposable by such legislation, or if carried out at the written request of the Vendor, or was entered into or carried out pursuant to the terms of the W&I Policy.

4.3 The provisions of Clause 12 (Limitation of Vendor's Liability) and Schedule 6 (Limitations on the Vendor's Liability) shall apply to a claim under this Schedule as provided for therein.

4.4 The provisions of paragraph 3.1(c), (d), (e), (g), (i), (j), (k) and (n) shall not apply to any claims in respect of any Liability for Taxation falling within paragraphs 2.1(f) and 2.1(g) (specific tax liabilities).

5. OVERPROVISIONS

5.1 If, by no later than 11.59pm on the seventh anniversary of Completion, the auditors for the time being of the relevant Acquired Group Company determine (at the request and at the expense of the Vendor) that in their opinion any provision for Tax in the Accounts (other than a provision for deferred tax) has proved to be an Overprovision (and to the extent that such Overprovision has not been taken into account in computing any liability of the Vendor under the Tax Warranties or under this Schedule), then:

(a) the amount of the Overprovision shall first be set off against any payment then due from the Vendor under this Schedule;

(b) to the extent that there is an excess, a refund shall be made to the Vendor of any previous payment or payments made by the Vendor under this Schedule (and not previously refunded under this Schedule) up to the amount of such excess; and

(c) to the extent that the excess referred to in paragraph 4.1(b) is not exhausted, the remainder of that excess will be carried forward and set off against any future payment or payments which become due from the Vendor under this Schedule.

5.2 After the relevant Acquired Group Company's auditors have given their determination under this paragraph 5, the Vendor or the Purchaser may, by no later than 11.59pm on the seventh anniversary of Completion, request the auditors for the time being of that Acquired Group Company to review (at the expense of the party making the request) that determination in the light of all relevant circumstances, including any facts of which it was not aware, and which were not taken into account, at the time when such determination was made, and to confirm whether in their opinion the determination remains correct or whether, in light of those circumstances, it should be amended.

5.3 If the auditors make an amendment to the earlier determination and the amount of the Overprovision is revised, that revised amount shall be substituted for the previous amount and any adjusting payment that is required shall be made by or to the Vendor (as the case may be) as soon as practicable.

5.4 The Purchaser shall notify the Vendor as soon as reasonably practicable (and in any event within ten Business Days) after becoming aware that there is or may be any Overprovision.

5.5 The Purchaser shall, and shall procure that any Acquired Group Company shall, procure the said auditors to determine whether or not there is an Overprovision or the amount of any Overprovision if requested to do so by the Vendor, in which case the reasonable costs of the determination shall be borne by the Vendor.

6. SAVINGS

6.1 If, by no later than 11.59pm on the seventh anniversary of Completion, the auditors for the time being of an Acquired Group Company determine (at the request of and at the expense of the Vendor) that such Acquired Group Company has obtained a Saving (and that Saving has not been taken into account in computing any liability of the Vendor under the Tax Warranties or under this Schedule), the Purchaser shall as soon as reasonably practicable thereafter pay to the Vendor, after deduction of any amounts then due from the Vendor, the lesser of:

(a) the amount of the Saving (as determined by the auditors), less any reasonable costs incurred by the Purchaser or such Acquired Group Company in obtaining it; and

(b) the amount paid by the Vendor under paragraph 1 in respect of the Liability for Taxation which gave rise to the Saving less any part of that amount previously repaid to the Vendor under any provision of this Schedule or otherwise.

6.2 The Purchaser shall notify the Vendor as soon as reasonably practicable after it or an Acquired Group Company or any member of the Purchaser’s Group becomes aware that a Saving may be or has been obtained and the Purchaser shall, and shall procure that each Acquired Group Company and each member of the Purchaser's Tax Group shall, use reasonable endeavours to obtain and utilise any Saving to which it may become entitled, save to the extent that it shall not be required to do anything which may prejudice the availability, use or amount of a Purchaser’s Relief.

6.3 The Vendor shall be entitled to require, and if so requested the Purchaser shall procure, that the auditors of an Acquired Group Company, the Purchaser or a member of the Purchaser’s Tax Group shall (at the Vendor's reasonable cost) determine the existence or amount of any Saving.

6.4 After the relevant Acquired Group Company's auditors have made a determination under this paragraph 6, the Vendor or the Purchaser may, by no later than 11.59pm on the seventh anniversary of Completion, request that the auditors for the time being of that Acquired Group Company review (at the expense of the party making the request) that determination in the light of all relevant circumstances, including any facts of which it was not aware, and which were not taken into account, at the time when such determination was made, and to determine whether in their opinion the determination remains correct or whether, in light of those circumstances, it should be amended.

6.5 If the auditors make an amendment to the earlier determination and the amount of the Saving is revised, that revised amount shall be substituted for the previous amount and any adjusting payment that is required shall be made by or to the Vendor (as the case may be) as soon as practicable.

7. RECOVERY FROM THIRD PARTIES

7.1 Where the Vendor has paid an amount in full discharge of a liability under paragraph 1 or in respect of a Tax Warranty Claim in respect of any Liability for Taxation and the Purchaser or an Acquired Group Company or a member of the Purchaser's Tax Group is or becomes entitled to recover from some other person (not being the Purchaser, an Acquired Group Company, any other member of the Purchaser's Tax Group or any current officer, director or employee of any of them) any amount in respect of such Liability for Taxation, the Purchaser shall or shall procure that the relevant Acquired Group Company shall:

(a) notify the Vendor of the entitlement (giving reasonable details as to the entitlement) as soon as reasonably practicable; and

(b) if required by the Vendor and, subject to the Purchaser and the relevant Acquired Group Company or member of the Purchaser's Tax Group being indemnified by the Vendor against any Tax that may be suffered on receipt of that amount and any reasonable costs and expenses properly incurred in recovering that amount, take or procure that the relevant Acquired Group Company or member of the Purchaser's Tax Group takes all reasonable steps to enforce that recovery against the person in question (keeping the Vendor informed of the progress of any material action taken)

provided that the Purchaser shall not be required to take any action pursuant to this paragraph 7.1 which, in the Purchaser's reasonable opinion, is likely to cause harm to its or the relevant Acquired Group Company's commercial or employment relationship with that or any other person and the Purchaser determines in good faith that such harm is material in the circumstances.

7.2 If the Purchaser or the relevant Acquired Group Company or member of the Purchaser's Tax Group recovers any amount referred to in paragraph 7.1, the Purchaser shall, within ten Business Days of making the recovery, pay to the Vendor the lesser of:

(a) any amount recovered (including any related interest or related repayment supplement) less any Tax suffered in respect of that amount and any reasonable costs and expenses properly incurred in recovering that amount (save to the extent that the Tax, costs or expenses have already been made good by the Vendor under paragraph 7.1(b)); and

(b) the amount paid by the Vendor under paragraph 2 or the Tax Warranties in respect of the Liability for Taxation in question.

8. TAX RETURNS

8.1 The Purchaser will have exclusive conduct of all Tax affairs of each Acquired Group Company after Completion.

8.2 The Vendor or its duly authorised agent shall (at the cost of the Vendor) provide such information and assistance as the Purchaser may reasonably require in order to enable the Purchaser to prepare the Tax returns and computations of each Acquired Group Company for any accounting period ending on or before Completion (if not already submitted) and for the accounting period in which Completion occurs, to agree those returns and computations with the relevant Tax Authority and to respond to any demand, assessment or request for information from any Tax Authority relating to those returns and computations. The Purchaser shall procure (subject to receiving such information and assistance from the Vendor) that such returns and computations shall be submitted in draft form to the Vendor for comment at least thirty (30) Business Days before the expiry of any time limit for the submission of such document to the relevant Tax Authority. The Vendor shall comment within fifteen (15) Business Days of receipt of such document from the Purchaser, and the Purchaser shall take any reasonable comments of the Vendor into account prior to any such submission; provided, however, that the Vendor shall not have any right to comment on the Purchaser (or a member of the Purchaser's Group) making a Section 338(g) Election, and neither Purchaser nor any member of the Purchaser's Group shall be obligated to make any revisions that may be requested by the Vendor that relate to the Purchaser (or a member of the Purchaser's Group) making a Section 338(g) Election.

8.3 For the avoidance of doubt:

(a) where any matter relating to Tax gives rise to a Tax Claim, the provisions of paragraph 9 (Conduct of Tax Claims) shall take precedence over the provisions of this paragraph 8; and

(b) the provisions of this paragraph 8 shall not prejudice the rights of the Purchaser to make a claim under this Schedule or a Tax Warranty Claim in respect of any Liability for Taxation.

8.4 The Purchaser or its duly authorised agent shall (at the cost of the Purchaser) provide such information and assistance as the Vendor may reasonably require in order to enable the Vendor or any member of the Vendor's Tax Group or any shareholder of the Vendor to complete any Tax returns or other filings for any accounting period ending on or in which Completion occurs.

9. CONDUCT OF TAX CLAIMS

9.1 Subject to paragraph 9.2, if the Purchaser, a member of the Purchaser's Tax Group or an Acquired Group Company becomes aware of a Tax Claim, the Purchaser shall give notice in writing of the Tax Claim to the Vendor as soon as reasonably practicable and in any event within ten Business Days of becoming aware of it, provided that the giving of such notice shall not be a condition precedent to the Vendor's liability under this Schedule or for a Tax Warranty Claim.

9.2 If the Vendor becomes aware of a Tax Claim, the Vendor shall notify the Purchaser in writing as soon as reasonably practicable and, on receipt of such notice, the Purchaser shall be deemed to have given the Vendor notice of the Tax Claim in accordance with the provisions of paragraph 9.1.

9.3 Subject to paragraph 9.4, if the Vendor indemnifies the Purchaser and any Acquired Group Company to the Purchaser's reasonable satisfaction against all liabilities, costs, damages or expenses which are likely to be incurred thereby, including any additional Tax liability, the Purchaser shall take and procure that the relevant Acquired Group Company shall take such action as the Vendor may reasonably request by notice in writing given to the Purchaser to avoid, dispute, defend, resist, appeal, compromise or otherwise deal with any Tax Claim.

9.4 Neither the Purchaser nor any Acquired Group Company shall be obliged to appeal or procure an appeal against any assessment to Tax if the Purchaser, having given the Vendor written notice of such assessment, does not receive written instructions from the Vendor within fifteen Business Days to do so.

9.5 If:

(a) the Vendor does not request the Purchaser to take any action under paragraph 9.3 or the Vendor fails to indemnify the Purchaser or any Acquired Group Company to the Purchaser's reasonable satisfaction within a period of time (commencing with the date of the notice given to the Vendor) that is reasonable having regard to the nature of the Tax Claim and the existence of any time limit in relation to avoiding, disputing, defending, resisting, appealing or compromising such Tax Claim, and which period will not in any event be less than a period of fifteen Business Days nor exceed a period of thirty Business Days; or

(b) the Vendor (or any Acquired Group Company before Completion) has committed or procured fraudulent conduct or deliberate default in respect of the Liability for Taxation which is the subject matter of the Dispute; or

(c) the Vendor is declared insolvent or becomes the subject of insolvency proceedings,

the Purchaser or the relevant Acquired Group Company shall have the conduct of the Dispute absolutely (without prejudice to its rights under this Schedule) and shall be free to pay or settle the Tax Claim on such terms as the Purchaser or the relevant Acquired Group Company may in its absolute discretion consider fit.

9.6 The Purchaser shall not be required to procure that an Acquired Group Company makes an appeal against a determination by the Tax Chamber of the First-tier Tribunal or any higher tribunal (or equivalent in any other jurisdiction), unless:

(a) the Vendor has at its own expense and after disclosure of all relevant information and documents obtained the opinion of Tax counsel of at least ten years' standing with relevant experience that there is a reasonable prospect that the appeal will succeed; or

(b) in the Purchaser's reasonable opinion, such appeal is likely to result in a tax liability of the Purchaser or any Acquired Group Company (unless the Vendor indemnifies the Purchaser or the Acquired Group Company against such liability) or to adversely affect the business or financial interests of any of them or is contrary to the legal obligations of any of them, and the Purchaser determines in good faith that such tax liability or adverse effect, as the case may be, is material in the circumstances.

9.7 The Purchaser shall give, or procure that any Acquired Group Company or any member of the Purchaser's Tax Group shall give, such information or assistance as the Vendor may reasonably request to enable the Vendor to consider any Tax Claim or to determine what action (if any) to request under paragraph 9.3.

9.8 If and for so long as the Vendor is entitled to request any action under paragraph 9.3 in relation to a Tax Claim:

(a) the Purchaser shall, or shall procure that the relevant Acquired Group Company shall, keep the Vendor promptly and fully informed as to all material developments in relation to the Tax Claim and promptly provide the Vendor with copies of all material correspondence and reasonably full and accurate notes of all material non-written communications with any Tax Authority relating to the Tax Claim or the matters to which the Tax Claim relates; and

(b) no material communication relating to the Tax Claim or the matters to which the Tax Claim relates shall be made to the relevant Tax Authority without the prior written approval of the Vendor (such approval not to be unreasonably withheld, conditioned or delayed).

9.9 Neither the Purchaser nor any Acquired Group Company shall be liable to the Vendor for non-compliance with any of the provisions of this paragraph 9 if the Purchaser or the relevant Acquired Group Company has acted in good faith in accordance with the instructions of the Vendor.

10. PURCHASER'S COVENANT

10.1 The Purchaser covenants with the Vendor to pay to the Vendor an amount equal to any Taxation for which any member of the Vendor's Tax Group or any director or former director of any member of the Vendor's Tax Group (other than a person who was a director of an Acquired Group Company after Completion) is or becomes liable (or would have become liable but for the use or set off of a Relief) as a result of any member of the Purchaser's Tax Group (including, after Completion, the Acquired Group Companies) failing to discharge Tax for which it is liable, except to the extent that such Tax:

(a) is either subject to a valid claim under this schedule by the Purchaser which has not been satisfied or could be subject to any such claim; or

(b) has been recovered by the Vendor or a member of the Vendor's Tax Group or any director or former director under any relevant statutory provision (and the Vendor shall procure that no such recovery is sought to the extent that payment has been made under this paragraph 10.1).

10.2 The Purchaser covenants with the Vendor to pay to the Vendor an amount equal to any liability or increased liability to Taxation of the Vendor or any member of the Vendor's Tax Group which arises as a result of any reduction or disallowance of Group Relief that would otherwise have been available to the Vendor or any member of the Vendor's Tax Group to the extent that such reduction or disallowance occurs as a result of:

(a) any total or partial withdrawal or any amendment effected or made by an Acquired Group Company after Completion of any surrender of Group Relief by the Acquired Group Company to the Vendor or any member of the Vendor's Tax Group for or in respect of any period or part period ending on or before Completion; or

(b) any total or partial disclaimer made by an Acquired Group Company after Completion of any capital allowances available to the Acquired Group Company in respect of any period or part period ending on or before Completion,

save where any such withdrawal, amendment or disclaimer is made at the express prior written request or with the express prior written consent of the Vendor or made pursuant

to any provision of this Agreement and save to the extent that the Acquired Group Company received a payment for the Group Relief and such payment is returned in full by the Acquired Group Company to the Vendor or the relevant member or members of the Vendor's Tax Group.

10.3 The Purchaser covenants with the Vendor to pay to the Vendor an amount equal to all reasonable costs and expenses properly incurred (including the cost and expenses of taking any successful action under this schedule) by the Vendor, any member of the Vendor's Tax Group or any director or former director thereof in connection with or as a consequence of any matter for which a successful claim is made by the Vendor under paragraph 10.1 or 10.2.

10.4 The provisions of clause 16.2 to 16.6 and paragraph 1 of Schedule 6 shall apply to paragraphs 10.1 and 10.2 as if references to "Purchaser" were to the "Vendor" (and vice versa).

10.5 Payment by the Purchaser in respect of any liability under paragraph 10.1 or 10.2 must be made in cleared and immediately available funds on or before the later of: (i) the date which is five Business Days before the due date for payment of the Tax, costs or expenses in question; and (ii) the date which is five Business Days after the date on which the Vendor serves notice on the Purchaser requesting payment.

11. TRANSFER PRICING

11.1 If a liability to Tax of an Acquired Group Company has been reduced or extinguished or a Relief has arisen to an Acquired Group Company (or would have been reduced or extinguished or have arisen if the Acquired Group Company had made a valid claim in a timely manner) as a result of any adjustment being made to a provision pursuant to any applicable transfer pricing rules in circumstances where the Vendor or any member of the Vendor's Tax Group has or will have (or would have but for the utilisation of any Relief) an increased liability to Tax, save where the liability to Tax is one for which the Vendor is liable under this Schedule or the Tax Warranties or would be liable but for the limitations in Schedule 6, then the Purchaser shall procure that the relevant Acquired Group Company shall pay to the Vendor or relevant member of the Vendor's Tax Group by way of balancing payment an amount equal to the lesser of:

(a) the increase in liability to Tax of the Vendor or any member of the Vendor's Group or (as the case may be) the amount of the Relief utilised; and

(b) the reduction in the liability to Tax of the Acquired Group Company or (as the case may be) the amount of the Relief that arises.

11.2 Any payment under paragraph 11.1 shall be made on the date which is the later of:

(a) three Business Days prior to the last date on which the Tax in question is due and payable by the Vendor or the relevant member of the Vendor's Tax Group (or would have been but for the use of any Relief); and

(b) five Business Days after written demand made by the Vendor to the Purchaser.

11.3 If:

(a) an Acquired Group Company has a liability to Tax in respect of which the Purchaser is entitled to receive a payment from the Vendor pursuant to this Schedule or for breach of a Tax Warranty; and

(b) all or part of such Tax is attributable to an adjustment made pursuant to any applicable transfer pricing rules,

the Vendor may by notice to the Purchaser require the Purchaser to procure that the Acquired Group Company accepts from the Vendor or a member of the Vendor's Group a payment by way of balancing payment in full or partial discharge of so much of such Tax payable by the Acquired Group Company in question as is attributable to such adjustment; and, to the extent that such a balancing payment is received by the Acquired Group Company and not repaid (under paragraph 11.4 or otherwise), the Purchaser's entitlement to receive a payment pursuant to this Schedule or for breach of the Tax Warranty shall be reduced or eliminated.

11.4 If any adjustment referred to in paragraph 11.1 or 11.3 is subsequently amended by a Tax Authority, that amended amount shall be substituted for the purposes of those paragraphs as the amount of the liability to Tax in respect of which the balancing payment should or can be made and such adjusting payment or amended claims as may be required by virtue of the above-mentioned substitution shall be made or procured as soon as practicable by the Purchaser or the Vendor (as appropriate).

12. GROUP RELIEF

12.1 The Purchaser shall permit the Vendor to discharge (in whole or in part) any liability which the Vendor would or might otherwise have pursuant to a Tax Covenant Claim or Tax Waranty Claim by surrendering or procuring the surrender of Group Relief to the relevant Acquired Group Company or by making or procuring the making of any appropriate claim or election with the relevant Acquired Group Company, in each case to the extent permitted by law and without any payment being made by the relevant Acquired Group Company in consideration of or in connection with any such surrender, claim or election. The Purchaser shall procure that the relevant Acquired Group Company takes all such steps as are reasonably necessary to enable the Vendor to make and effect any such surrender, claim or election.

12.2 For the avoidance of doubt, the Vendor shall have no further liability under this Schedule in respect of a Liability for Taxation to the extent that it is reduced or extinguished by any surrender, claim or election referred to in paragraph 12.1. If any such surrender, claim or election is made after payment in respect of the Liability for Taxation has been made by the Vendor pursuant to a Tax Covenant Claim or Tax Warranty Claim, the Purchaser shall promptly following any such surrender, claim or election pay to the Vendor an amount equal to the amount by which such liability is reduced or extinguished by such surrender, claim or election.

12.3 The Purchaser shall procure that any Acquired Group Company shall, if requested by the Vendor, surrender to the Vendor or any member of the Vendor's Tax Group for no consideration all or part of any amount eligible for surrender by way of Group Relief arising in respect of any accounting period of the Acquired Group Company ending on or prior to Completion. The Purchaser shall procure that each Acquired Group Company takes all such steps as are reasonably necessary to enable the Acquired Group Company to effect any such surrender.

12.4 The Purchaser shall procure that each Acquired Group Company shall not without the prior written consent of the Vendor withdraw or amend any surrender, claim or election made pursuant to this paragraph 12.

13. INSURANCE

13.1 The Vendor hereby acknowledges that:

(a) any Acquired Group Company, the Purchaser or any member of the Purchaser's Tax Group will not be obliged to undertake any action or to omit to take action under this Schedule if to do so would be in breach of, or contrary to anything required under the terms or by virtue of the W&I Policy; and

(b) the Purchaser will not be in breach of its obligations under this Schedule in respect of any action undertaken or any omission if the action or omission of the Purchaser, any Acquired Group Company or any member of the Purchaser's Tax Group was carried out pursuant to the terms of or as required by the W&I Policy.

14. VENDOR'S VAT GROUP

14.1 The Vendor shall (to the extent that it has not done so already) make or procure that, as soon as practicable after Completion, an application is made pursuant to section 43B VATA to the relevant Tax Authority requesting that the Company be excluded from the group of companies registered as a group pursuant to section 43 VATA with VAT registration number 243 6969 72 ("**the Vendor's VAT Group**") with effect from Completion and the Purchaser shall procure that the Company cooperates reasonably with the Vendor in relation to such application.

14.2 The deeming provisions of section 43(1) VATA (other than section 43(1)(a) VATA) shall be disregarded in determining for the purposes of this paragraph 14 what supplies or acquisitions or importations have been made or are deemed to have been made by any person.

14.3 If for any prescribed accounting period for VAT purposes during which the Company is or was a member of the Vendor's VAT Group there is an excess of allowable input tax over output tax (as those terms are defined in section 24 VATA) in respect of supplies (including self-supplies) made to or by the Company, or in respect of importations or acquisitions made by the Company, up to and including the date on which the Company is excluded from the Vendor's VAT Group, then to the extent that such excess was treated or reflected as an asset in the Completion Accounts, the Vendor shall (to the extent not previously paid) pay or procure payment to the Purchaser of an amount equal to such excess no later than 20 Business Days after the later of Completion and the last day of such accounting period.

14.4 If for any prescribed accounting period for VAT purposes during which the Company is or was a member of the Vendor's VAT Group there is an excess of output tax over allowable input tax (as those terms are defined in section 24 VATA) in respect of supplies (including self supplies) made by or to the Company, or in respect of importations or acquisitions made by the Company, up to and including the date on which the Company is excluded from the Vendor's VAT Group, then to the extent that provision or reserve was made in respect of such excess in the Completion Accounts, the Purchaser shall, to the extent that such excess would not give rise to a claim under paragraph 2.1 of Part 2 (disregarding any limitations on claims imposed by para 2 of Schedule 6) (to the extent not previously paid) procure the payment by the Company to the Vendor (or at the Vendor's direction) of an amount equal to such excess no later than 20 Business Days after the later of Completion and the last day of the accounting period.

14.5 The Vendor and the Purchaser undertake that they will on request promptly provide, or procure that there is provided, to the other all information and particulars and access to and copies of all books, accounts, documents, records and information as may reasonably be required in order to calculate or determine any liability of the parties under this paragraph 14.

Part 3: Tax Warranties

15. GENERAL

15.1 In the last three years, all notices, returns (including any land transaction returns), reports, accounts, computations, statements, assessments, claims, disclaimers, elections and registrations and any other necessary information which have, or should have, been submitted by each Acquired Group Company to any Tax Authority for the purposes of Tax have been made on a proper basis, were submitted within applicable time limits and were accurate and complete in all material respects. None of the above is, or, so far as the Vendor is aware, is likely to be, the subject of any material dispute with any Tax Authority.

15.2 In the last three years, all Tax (whether of the United Kingdom or elsewhere), for which each Acquired Group Company has been liable to account, has been duly paid (insofar as such Tax ought to have been paid) and no material penalties, fines, surcharges or interest have been incurred by an Acquired Group Company in relation to Tax.

15.3 Each Acquired Group Company maintains complete and accurate records, invoices and other information in relation to Tax as required by law and enable the tax liabilities and tax reliefs of such Acquired Group Company for accounting periods ending on or before Completion and in respect of the period current at Completion on the basis that the accounting period ended on Completion to be calculated accurately in all material respects.

15.4 Each Acquired Group Company has sufficient records in respect of any period ending on Completion to assist in determining the Tax consequences that would arise on any disposal or realisation of any asset acquired by that Acquired Group Company as part of the Pre-Completion Reorganisation.

15.5 The Disclosure Letter sets out, in respect of each Acquired Group Company, whether or not that Acquired Group Company is a large company within the meaning of regulation 3 of the Corporation Tax (Instalment Payment) Regulations 1998 and, if applicable, gives details of instalments of corporation tax paid in respect of any current accounting periods.

15.6 In the last three years, all Tax and national insurance contributions deductible under the PAYE system, the Construction Industry Scheme and/or any other Taxation Statute have, so far as required to be deducted, been deducted from all payments made (or treated as made) by each Acquired Group Company. All amounts so deducted and due to be paid to the relevant Tax Authority on or before the date of this Agreement have been so paid.

15.7 The Disclosure Letter contains details of any payments or loans made to, any assets made available or transferred to, or any assets earmarked, however informally, for the benefit of, any employee or former employee (or anyone linked with such employee or former employee) of each Acquired Group Company by an employee benefit trust or another third party, falling within the provisions of Part 7A to the Income Tax (Earnings and Pensions) Act 2003 and details of any trust or arrangement capable of conferring such a benefit.

15.8 The Disclosure Letter contains details of all concessions, agreements and arrangements that each Acquired Group Company has entered into with a Tax Authority in the last three years and that are not based on a strict application of Tax law or on the published practice or guidance of the Tax Authority.

15.9 So far as the Vendor is aware, no Acquired Group Company is, or will become, liable to make any person (including any Tax Authority) any payment in respect of any liability to Tax which is primarily or directly chargeable against, or attributable to, any other person.

15.10 No Acquired Group Company is involved in any dispute with any Tax Authority nor has, within the period of three years ending with the date of this Agreement, been subject to any non-routine visit, audit, investigation, discovery, or access order by any Tax Authority. The Vendor is not aware of any circumstances existing which will lead to a visit, audit, investigation, discovery or access order being made in the next 12 months.

15.11 All transactions entered into by an Acquired Group Company in the last three years in respect of which any clearance or consent was required from any Tax Authority have (if entered into) been entered into by the relevant Acquired Group Company after such consent or clearance has been properly obtained. Any application for such clearance or consent was made on the basis of full and accurate disclosure of all the relevant material facts and considerations, and all such transactions, if carried into effect, were carried into effect only in accordance with the terms of the relevant clearance or consent.

15.12 The Accounts make full provision or reserve within generally accepted accounting principles for all Tax for which each Acquired Group Company is accountable at the date to which the Accounts were prepared. Proper provision has been made and shown in the Accounts for deferred tax in accordance with generally accepted accounting principles.

16. DISTRIBUTIONS AND OTHER PAYMENTS

16.1 No distribution or deemed distribution, within the meaning of section 1000 or sections 1022 to 1027 (inclusive) of CTA 2010, has been made (or will be deemed to have been made) by any Acquired Group Company, except dividends shown in its audited accounts, and no Acquired Group Company is legally bound to make any such distribution.

16.2 No Acquired Group Company has, within the period of three years preceding the date of this Agreement, been engaged in, nor been a party to, any of the transactions set out in Chapter 5 of Part 23 of CTA 2010 (demergers), nor has any Acquired Group Company made or received a "chargeable payment", as defined in section 1086 of CTA 2010.

17. CLOSE COMPANIES

Any loans or advances made, or agreed to be made, by any Acquired Group Company within sections 455, 459 and 460 of CTA 2010 have been disclosed in the Disclosure

Letter. No Acquired Group Company has released or written off, or agreed to release or write off, the whole or any part of any such loans or advances.

18. GROUP RELIEF

Except as provided in the Accounts, no Acquired Group Company is, or will be, obliged to make or be entitled to receive any payment for the surrender of group relief as defined in section 183 of CTA 2010 in respect of any period ending on or before Completion, or any payment for the surrender of the benefit of an amount of advance corporation tax or any repayment of such a payment other than in relation to another Acquired Group Company.

19. GROUPS OF COMPANIES

19.1 In the last three years, no Acquired Group Company has entered into, or agreed to enter into, an election pursuant to section 171A of TCGA 1992, paragraph 16 of Schedule 26 to the Finance Act 2008, or section 792 of CTA 2009 (or paragraph 66 of Schedule 29 to the Finance Act 2002).

19.2 Neither the execution nor completion of this Agreement, nor any other event since the Accounts Date, will result in any chargeable asset being deemed to have been disposed of and re-acquired by any Acquired Group Company for Tax purposes or to the clawback of any relief previously given.

19.3 No Acquired Group Company has in the last three years been party to any arrangements pursuant to sections 59F of TMA 1970 (group payment arrangements).

20. COMPANY RESIDENCE AND OVERSEAS INTERESTS

20.1 Each Acquired Group Company has, throughout the period of three years ending with the date of this Agreement, been resident in its jurisdiction of incorporation for tax purposes and has not, at any time in that period, been treated as resident in any other jurisdiction nor as having a permanent establishment outside the United Kingdom for the purposes of any double Taxation arrangements or for any other Tax purposes.

21. TRANSFER PRICING

So far as the Vendor is aware, all transactions or arrangements made by each Acquired Group Company have been made with arm’s length parties or (if not) on arm's length terms , and the processes by which prices and terms have been arrived at have, in each case, been reasonably documented or otherwise reasonably recorded. No notice, enquiry or adjustment has been made by any Tax Authority in connection with any such transactions or arrangements;

22. ANTI-AVOIDANCE

22.1 In the last three years, no Acquired Group Company has been a party to, or has otherwise been involved in, any transaction, scheme or arrangement designed wholly or mainly or containing steps or stages having no commercial purpose and designed wholly or mainly for the purpose of avoiding or deferring Tax or reducing a liability to Tax or amounts to be accounted for under PAYE.

22.2 In the last three years, no Acquired Group Company has entered into any notifiable arrangements for the purposes of Part 7 of the Finance Act 2004, any notifiable contribution arrangement for the purposes of the National Insurance Contribution (Application of Part 7 of the Finance Act 2004) Regulations 2007 (SI 2007/785) or any notifiable schemes for the purposes of Schedule 11A of VATA 1994.

22.3 Each Acquired Group Company has on or before Completion taken reasonable steps or designed, implemented and maintained reasonable prevention procedures pursuant to and as required by the CFA 2017 to mitigate the risk of facilitation of any UK or foreign tax evasion pursuant to and as required by the CFA 2017.

23. INHERITANCE TAX

No asset owned by any Acquired Group Company nor the Shares is subject to any Inland Revenue charge as mentioned in sections 237 and 238 of IHTA 1984 or (so far as the Vendor is aware) is liable to be subject to any sale, mortgage or charge by virtue of section 212(1) of IHTA 1984.

24. VALUE ADDED TAX

24.1 Each Acquired Group Company (other than Contura Inc) is a taxable person and is registered for the purposes of VAT with quarterly prescribed accounting periods.

24.2 In the last three years, each Acquired Group Company has complied in all material respects with all statutory provisions, rules, regulations, orders and directions in respect of VAT, promptly submitted materially accurate returns, and maintained full and accurate VAT records, invoices, and other requisite documents as required by law.

24.3 No Acquired Group Company is, or has been in the period of three years ending with the date of Completion, a member of a group of companies for the purposes of section 43 of VATA 1994.

24.4 All supplies made by each Acquired Group Company have been taxable supplies. No Acquired Group Company has been, or will be (assuming no change in the nature of its supplies), denied full credit for input tax paid or suffered by it.

24.5 No Acquired Group Company owns any assets which are capital items subject to the capital goods scheme under Part XV of the VAT Regulations 1995, nor has exercised any option to tax under Part 1 of Schedule 10 to the VATA 1994.

24.6 Each Acquired Group Company has access to the shipping documentation, provided by Polar Speed Distribution Limited, relevant to the zero-rated exports of the Company to its customer based in the Republic of Ireland.

25. STAMP DUTY, STAMP DUTY LAND TAX AND STAMP DUTY RESERVE TAX

25.1 Any document that may be necessary in proving the title of an Acquired Group Company to any asset which is owned by such Acquired Group Company at the date of this Agreement, is duly stamped for stamp duty purposes. No such documents which are outside the United Kingdom would attract stamp duty if they were brought into the United Kingdom.

25.2 Neither entering into this Agreement nor Completion will result in the withdrawal of a stamp duty or stamp duty land tax relief granted on or before Completion which will affect an Acquired Group Company.

25.3 The Disclosure Letter sets out full and accurate details of any chargeable interest (as defined under section 48 of the Finance Act 2003) acquired or held by each Acquired Group Company before the date of this Agreement in respect of which the Vendor is aware, or ought reasonably to be aware, that an additional land transaction return will be required to be filed with a Tax Authority and/or a payment of stamp duty land tax made on or after the date of this Agreement.

26. EMPLOYMENT AND PENSIONS

26.1 Since the Accounts Date, no Acquired Group Company nor any employee benefit trust or other third party has made, or agreed to make, any payment to, or provided or agreed to provide any benefit for, any director or former director, officer or employee (or associate of any of the foregoing) of any Acquired Group Company, whether as compensation for loss of office, termination of employment or otherwise, which is not allowable as a deduction in calculating the profits of such Acquired Group Company for Tax purposes, whether up to or after the Accounts Date.

26.2 All acquisitions of restricted securities or restricted interests in securities within the meaning of section 423 of ITEPA 2003 by current or former employees or directors of each Acquired Group Company since 15 April 2003 have been the subject of a valid election under section 431(1) of ITEPA 2003 and all such elections have been retained by the relevant Acquired Group Companies.

26.3 All Tax and national insurance contributions deductible and payable under the PAYE system and/or any other applicable enacted tax legislation have, so far as required by law

to be deducted, been deducted from all payments made (or treated as made) by each Acquired Group Company. All amounts deducted and due to be paid by each Acquired Group Company to the relevant Tax Authority prior to the date of this Agreement have been so paid by the due date, including, without limitation, all Tax chargeable on benefits provided for directors, employees or former employees of each Acquired Group Company or any persons required to be treated as such.

26.4 There are no trusts or other arrangements in place, whether funded or established by an Acquired Group Company or of which the Vendor is aware, under which any employees or former employees of any Acquired Group Company or any persons associated with such employees or former employees can obtain a benefit in any form.

26.5 No payments or loans have been made to, nor have any assets been made available or transferred to, nor have any assets been earmarked, however informally, for the benefit of, any employee or former employee (or anyone linked with such employee or former employee) of any Acquired Group Company by an employee benefit trust or another third party, in each case falling within the provisions of Part 7A ITEPA 2003, and there is not any trust or arrangement capable of conferring such a benefit.

27. CONSTRUCTION INDUSTRY SUB-CONTRACTORS' SCHEME

No Acquired Group Company is required to register as a contractor under the provisions of section 59 of the Finance Act 2004 and the aggregate expenditure incurred by each Acquired Group Company on construction, refurbishment and fitting-out works in each of the three years ending on the Accounts Date is less than £1 million.

28. TAX SHARING

No Acquired Group Company is bound by or party to any Tax indemnity, Tax sharing or any Tax allocation agreement in respect of which claims against it would not be time barred.

SCHEDULE 9

Escrow

1. **DEFINITIONS**

In this Schedule, unless the context requires otherwise:

"**Escrow Claim**" means a Claim or any other claim for breach of this Agreement made by the Purchaser;

"**Escrow Retention Notice**" means a notice in writing from the Purchaser to the Vendor informing the Vendor that the Purchaser intends to retain an amount not exceeding the Estimated Liability in the Escrow Account in respect of an Escrow Claim, and complying with paragraph 2.2;

"**Estimated Liability**" has the meaning given in paragraph 2.3(d);

"**Final Escrow Payment Date**" means 31 December 2024;

"**Initial Escrow Payment Date**" means 31 December 2022;

"**Second Escrow Period Amount**" means at any relevant time, the aggregate of

(a) USD $2,250,000;

(b) any amount then due to be paid to the Purchaser under paragraph 4.1 but not yet paid to the Purchaser;

(c) the total amount of the Estimated Liability of any Escrow Claims (or parts thereof) specified in any Escrow Retention Notices that have not at that time been Settled in Full; and

(d) any amounts attributable to interest which shall be dealt with in accordance with paragraph 4.4.

2. **ESCROW RETENTION NOTICES**

2.1 The Purchaser may, at any time before 5.30 pm on the Final Escrow Payment Date, give one or more Escrow Retention Notices to the Vendor.

2.2 Each Escrow Retention Notice given pursuant to paragraph 2.1, shall be accompanied by a copy of a satisfactory Counsel's opinion relating to the Escrow Claim in question and

shall give reasonable particulars of the breach or other event to which the Escrow Claim relates.

2.3 A Counsel's opinion shall be regarded as satisfactory for the purposes of paragraph 2.2 if:

(a) the opinion is provided by a Queen's Counsel of at least five years' standing and with a reasonable level of experience with respect to the subject matter of the claim;

(b) the opinion is in writing;

(c) the opinion states that in the opinion of Counsel, on the balance of probabilities, the Escrow Claim will succeed; and

(d) the opinion contains Counsel's estimate of the maximum amount for which the Vendor is likely to be liable pursuant to the Escrow Claim (the **"Estimated Liability"**).

2.4 The Purchaser shall have the sole right, but after reasonable consultation with the Vendor, to select the Queen's Counsel to be instructed for the purposes of paragraph 2.3. The Queen's Counsel shall be instructed by solicitors acting for the Purchaser who shall supply a copy of the instructions to the Vendor.

3. **RELEASE FROM THE ESCROW ACCOUNT**

3.1 On the Initial Escrow Payment Date there shall be paid to the Vendor the amount standing to the credit of the Escrow Account after deduction of the Second Escrow Period Amount.

3.2 On the Final Escrow Payment Date there shall be paid to the Vendor the amount standing to the credit of the Escrow Account after deduction of:

(a) any amount then due to be paid to the Purchaser under paragraph 4.1 but not yet paid to the Purchaser;

(b) the total amount of the Estimated Liability of any Escrow Claims (or parts thereof) specified in any Escrow Retention Notices that have not at that time been Settled in Full; and

(c) any amounts attributable to interest which shall be dealt with in accordance with paragraph 4.4.

4. SETTLEMENT OF ESCROW CLAIMS

4.1 If an Escrow Claim is Settled (whether before or after the Final Escrow Payment Date) on terms requiring the Vendor to make a payment to the Purchaser, an amount equal to the amount payable to the Purchaser in accordance with the Settlement in question (or the

remaining amount standing to the credit of the Escrow Account (after deducting any amounts attributable to interest), if less) shall be paid to the Purchaser from the Escrow Account within 10 Business Days of the date on which the Escrow Claim is Settled.

4.2 If at the Final Escrow Payment Date any Escrow Claims specified in any Escrow Retention Notices have not at that time been Settled in Full, then within 10 Business Days of all such Escrow Claims being Settled in Full and all payments required to be made to the Purchaser in accordance with paragraph 4.1 having been made, the remaining amount standing to the credit of the Escrow Account (after deducting any amounts attributable to interest), if less shall be paid to the Vendor from the Escrow Account.

4.3 An Escrow Claim shall be regarded as **"Settled"** if:

(a) the Vendor and the Purchaser (or their respective solicitors) shall so agree in writing;

(b) a court of competent jurisdiction has awarded judgment in respect of the Escrow Claim and no right of appeal lies in respect of such judgment or the parties are debarred whether by passage of time or otherwise from exercising any such right of appeal;

(c) it has lapsed in accordance with paragraph 4.4; or

(d) the Purchaser has withdrawn it by notice in writing to the Vendor,

and the term "**Settlement**" shall be construed accordingly, and "**Settled in Full**" means, in relation to an Escrow Claim, Settled in respect of damages, interest and costs in circumstances where no other part of the Escrow Claim has not been so Settled. For the purposes of this Schedule, an Escrow Claim is to be regarded as Settled whether or not it is "Settled in Full", and accordingly may be Settled more than once.

4.4 Any Escrow Retention Notice given in respect of an Escrow Claim for which the Vendor has no liability as a result of the operation of paragraph 1.2 of Schedule 6 (and the Escrow Claim asserted in that Escrow Retention Notice) shall be deemed to have lapsed for the purposes of this Schedule on the day following the last day on which legal proceedings in relation to that Claim could have been validly served in accordance with that paragraph.

5. **INTEREST AND PAYMENTS**

5.1 Upon the release of the whole or any part of the Escrow Amount to the Vendor or the Purchaser, the Vendor or the Purchaser (as the case may be) shall be entitled to any interest which has accrued pro rata to the amounts of the Escrow Amount so released. Any amounts withheld on account of Taxation (in accordance with Clause 16) shall be deducted from amounts paid under this paragraph pro rata to the amount released. Any payments

under this paragraph shall be made as soon as practicable following any release of amounts held in the Escrow Account.

5.2 For the purposes of this Schedule 9:

(a) any amounts paid to the Vendor or to the Purchaser under this Schedule 9 shall be paid in accordance with Clause 39;

(b) the Vendor shall not be concerned to see the application of any payments made to the Purchaser's Solicitors pursuant to this Schedule 9 and the receipt of the Purchaser's Solicitors shall be an absolute discharge to the Vendor of its obligations under this Schedule 9;

(c) nothing in this Schedule 9 shall operate to prevent the Purchaser from recovering from the Vendor any amount which would have been payable to the Purchaser under paragraph 2.2 of this Schedule 9 but was not so paid because the total of the amounts payable to the Purchaser under those paragraphs exceeded the Escrow Amount;

(d) the provisions of this Schedule 9 shall not be regarded as imposing any limit to the amount of any claims under the Warranties and/or the Tax Covenant and/or otherwise under this Agreement or date by which such claims shall be made;

(e) any charges made by the Escrow Account Agent or by the bank holding the Escrow Account in respect of the Escrow Account shall be borne by the Vendor and the Purchaser pro rata to the amounts of the Escrow Amount paid to them under this Schedule 9 and the Vendor shall indemnify the Purchaser and the Purchaser shall indemnify the Vendor in respect of any bank charges and/or any Escrow Account Agent charges borne by any party contrary to this paragraph; and

(f) nothing in this Schedule 9 shall operate to require any set off against the amount in the Escrow Account any amounts found to be owing by the Purchaser to the Vendor.

6. **INSTRUCTIONS TO ESCROW AGENT**

6.1 The Vendor and the Purchaser shall at Completion and at all relevant times thereafter deliver (or procure the delivery of) irrevocable instructions to the Escrow Account Agent in accordance with the terms of the Escrow Agreement so as to enable it to deal with the Escrow Account in accordance with this Schedule 9 and the Vendor and the Purchaser undertakes not to revoke any such instruction.

SCHEDULE 10

Part 1: Accounting

1. ACCOUNTING TREATMENT - BASIS FOR PREPARING THE COMPLETION ACCOUNTS

1.1 The Completion Accounts shall be prepared:

(a) in accordance with the specific accounting principles, practices and policies and the specific accounting bases and treatments set out in paragraph 2 of Part 1 of this Schedule 10;

(b) on the same basis and using same the accounting principles, practices and policies applied in the preparation of the Accounts; and

(c) in accordance with UK GAAP.

1.2 In the event of any conflict between the application of sub-paragraphs (a), (b) and (c) of paragraph 1.1, the application of sub-paragraph (a) shall take precedence over the application of sub-paragraphs (b) and (c) and the application of sub-paragraph (b) shall take precedence over the application of sub-paragraph (c).

2. ACCOUNTING TREATMENT - GENERAL AND SPECIFIC POLICIES

2.1 **General Principles**

Except as specifically stated to the contrary in paragraph 2.2:

(a) The Completion Accounts shall be drawn up with reference to the nominal ledgers of the Acquired Group as at the Effective Time and as if made up to the last day of a financial and fiscal year (adopting the same specific procedures which would be adopted such as detailed analysis of prepayments and accruals and cutoff procedures) but subject to the specific policies set out in this Schedule 10.

(b) No item shall be included or excluded from the Completion Accounts solely on the grounds of materiality and no items shall be included more than once.

(c) All monetary amounts in the Completion Accounts shall be expressed in GBP and shall, where any such amount is referable in whole or part to an amount in another currency, be translated at the Exchange Rate on the Business Day prior to the Completion Date.

(d) Unless expressly stated to the contrary in this Schedule 10, all balances and amounts included in the Completion Accounts shall be calculated on a

consolidated basis (eliminating all intra-Acquired Group receivables and payables) as at the Completion Date.

2.2 **Specific Principles**

The specific accounting principles, practises and policies and the specific accounting bases and treatments to be used in the preparation of the Completion Accounts are as follows:

(a) An asset shall be recorded in respect of all prepayments and accrued income at the Completion Date, including insurance prepayments, with all receipts and disbursements of a periodic nature being apportioned on a pro-rata basis between the periods before and after the Completion Date.

(b) Accruals shall be made for current liabilities incurred before the Completion Date. All receipts and disbursements for accruals of a periodic nature shall be apportioned on a pro-rata basis between the periods before and after the Completion Date.

(c) Full provision shall be made for Tax relating to periods or events prior to Completion, in particular corporation tax liabilities. The corporation tax liability for the Company shall be calculated as if the accounting period of the Company was deemed to have ended at the Effective Time and shall have regard for the availability of brought forward tax losses available for offset.

(d) For the avoidance of doubt, there shall be no deferred tax provision relating to a deferred tax liability or deferred tax asset included in the Completion Accounts.

(e) Any line items classified as "Not Applicable" in the pro forma completion accounts set out in Part 2 of this Schedule 10 shall not be included within the Working Capital Value or within Net Debt.

(f) For the avoidance of doubt no fixed assets shall be included in the Completion Accounts.

(g) Holiday pay shall be accrued in accordance with the current law, that is calculated taking into account overtime and bonuses and any other payments as required by the law and any carried forward holiday days shall also be accrued for.

(h) A provision shall be included in the "other creditors" line item of the Completion Accounts for any of the Acquired Group's Transactions Costs, if any.

(i) A provision shall be included for retrospective rebates and discounts payable to customers and deducted from the value of trade debtors.

(j) Retrospective discounts and rebates receivable from suppliers shall be recognised as an asset and included within "Prepayments". Where a rebate is receivable based on a performance target being reached an asset shall only be recognised when the relevant target has been reached.

(k) In respect of stock and work in progress the valuation shall be at the price provided for in the Exclusive Manufacturing and Supply Agreement, or if no such price is provided therein, the lower of cost to the Acquired Group or net realisable value. Stock with an expiration date within one year from the date of the close will be valued at zero.

(l) In respect of trade debtors, the valuation shall be the recorded amount, less a provision for uncollectable accounts.

(m) No amount shall be shown in the Completion Accounts for German tax losses carried forward.

(n) No tax assets shall be included in the Completion Accounts in respect of UK tax assets.

(o) No amount shall be included in the Completion Accounts for stock that is not related to Bulkamid Products (and, for the avoidance of doubt, stock shall include the Bulkamid urethroscope and the Bulkamid sterilization container.

(p) No amount shall be included in the Completion Accounts for trade debtors, other debtors, prepayments or accrued income that are not directly related to the sales of Bulkamid Products and running the associated business. For the avoidance of doubt, this includes but is not limited to the following items which shall not be included in the Completion Accounts: (i) Season Ticket Loans relating to staff not in the Acquired Group; (ii) Prepayments related to rent, rates, services charges, insurance, and IT assets which will be transferred out of the Acquired Group, (iii) Interest receivables related to the animal health business, and (iv) any debtors accrued income or PI compensation from Madaus relating to Regurin.

(q) No amount shall be included in the Completion Accounts for creditors (as set out in F-M in Part 2) that are not directly related to the sales of Bulkamid Products and running the associated business. For the avoidance of doubt, this includes but is not limited to the following items which shall not be included in the Completion Accounts: (i) accrued expenses relating to bonus payments, and accruals for staff and assets which will be transferred out of the Acquired Group, (ii) PAYE and NIC related to staff which will be transferred out of the Acquired Group, (iii) any creditors relating to Regurin.

(r) A Debt item shall be included in the Completion Accounts for the Deferred VAT, which for the avoidance of doubt shall be treated as Debt in the Net Debt Statement

in Part 4 of this Schedule 10 and not as a VAT creditor for the purposes of Part 3 of this Schedule 10.

(s) A Debt item shall be included in the Completion Accounts for the Commerzbank Loan of €100,000.

(t) No asset shall be included in the Completion Accounts for the property rental deposit related to the UK office at 14 Took's Court.

(u) No provision shall be included in the Completion Accounts in respect of the US Sale Consideration.

(v) No provision shall be included in the Completion Accounts in respect of the Tail Policy Premium CAD.

2.3 The provisions of this Schedule 10 and the line items comprising the Completion Accounts shall be interpreted so as to avoid double counting (whether positive or negative) of any item.

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Part 2: Pro forma Completion Accounts

[***]

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Part 3: Pro forma WC Statement

[***]

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Part 4 - Net Debt Statement

[***]

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

SCHEDULE 11
Part 1: Assets transferred from the Vendor's Group to an Acquired Group Company

The following assets are to be transferred from the Vendor's Group to an Acquired Group Company pursuant to the Pre-Completion Reorganisation Documents:

1. The following distribution agreements (as amended, restated or supplemented from time to time) set out in section 03.30.10 and 03.30.15 of the Data Room:

   [***]

2. The Intellectual Property described in Part 2 of Schedule 7.

3. PMA P170023, granted by the FDA, from Contura International A/S to the Company.

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Part 2: Assets transferred from the Acquired Group to the Vendor's Group

The following business and assets are to be transferred from the Acquired Group to a member of the Vendor's Group pursuant to the Pre-Completion Reorganisation Documents:

[***]

SCHEDULE 12

Part 1: Accounting

1. ACCOUNTING TREATMENT - BASIS FOR PREPARING THE MILESTONE STATEMENT

1.1 The Milestone Statement shall be prepared:

(a) in accordance with the specific accounting principles, practices and policies and the specific accounting bases and treatments set out in paragraph 2 of Part 1 of this Schedule 12;

(b) on the same basis and using same the accounting principles, practices and policies applied in the preparation of the audited accounts of the Guarantor; and

(c) in accordance with US GAAP.

1.2 In the event of any conflict between the application of sub-paragraphs (a), (b) and (c) of paragraph 1.1, the application of sub-paragraph (a) shall take precedence over the application of sub-paragraphs (b) and (c) and the application of sub-paragraph (b) shall take precedence over the application of sub-paragraph (c).

2. ACCOUNTING TREATMENT - GENERAL AND SPECIFIC POLICIES

2.1 **General Principles**

Except as specifically stated to the contrary in paragraph 2.2:

(a) each Milestone Statement shall show:

(i) both unit Bulkamid Product Sales by territory, and the value of Bulkamid Product Sales for each of the 3 months ending on the last day of the Milestone Quarter in respect of which that Milestone Statement is prepared;

(ii) the aggregate unit Bulkamid Product Sales and aggregate value of Bulkamid Product Sales by territory for the 9-month period ending on the last day of the Milestone Quarter preceding the Milestone Quarter to which the Milestone Statement relates, provided always that this requirement for trailing 9 month unit Bulkamid Product Sales and Bulkamid Product Sales value shall not commence until the Milestone Quarter ended 31 December 2021;

(b) each Milestone Statement shall be drawn up with reference to the nominal ledgers of the Purchaser's Group as at the end of the relevant Milestone Quarter and as if made up to the last day of that Milestone Quarter (adopting the same specific procedures which would be normally adopted by the Purchaser's Group such as detailed analysis of prepayments and accruals and cutoff procedures) but subject to the specific policies set out in this Schedule 12; and

(c) Bulkamid Product Sales for any Milestone Quarter shall be expressed in US Dollars and shall, where any such amount is referable in whole or part to an amount in another currency, be translated at the average Exchange Rate for that Milestone Quarter.

2.2 **Specific Principles**

The specific accounting principles, practises and policies and the specific accounting bases and treatments to be used in the preparation of the Milestone Statement are as follows:

(a) a provision shall be included for rebates and discounts payable to customers and deducted from Bulkamid Product Sales. The provision will be calculated in a manner consistent with the reporting of revenue in the audited accounts of the Guarantor;

(b) sales between members of the Purchaser's Group shall be ignored when preparing the Milestone Statement; and

(c) Bulkamid Product Sales shall exclude the purchases and sales of BUOP and/or BUSC or any other product based on or derived from those products.

Part 2: Pro forma Milestone Statement

Bulkamid Product Sales Value ($)						**Unit Sales**			
Territory	**Jan 2020**	**Feb 2020**	**Mar 2020**	**Milestone Quarter**	**Trailing 3 Quarters**	**Moving Annual Total**	**Milestone Quarter**	**Trailing 3 Quarters**	**Moving Annual Total**
US	A	B	C	A+B+C	D	A+B+C+D	E	F	E+F
UK									
Germany									
●									
●									
●									
Total									

The Milestone Statement shall show each SKU for both BUKITs and BU10s.

Part 3: Milestone Protections

1. DEFINITIONS

1.1 In this Schedule, the following terms have the following meanings:

"**Commercialise**" means the making of a Bulkamid Product available for commercial sale, and/or the offering for sale, and/or the sale of a Bulkamid Product (as the case may be), in a commercial arm's length transaction; and

"**Commercially Reasonable Efforts**" means, subject to compliance with applicable laws and to any circumstance not within the Purchaser's reasonable control, exerting such reasonable efforts and employing such resources to accomplish a task or obligation as would normally and reasonably be expended by companies in the medical device industry of a similar size and with similar resources to the Purchaser's Group taken as a whole to Commercialise a product at a similar stage of its life cycle and with similar market potential.

2. CONDUCT DURING MILESTONE PERIOD

2.1 The Purchaser shall procure that during the Milestone Period, each member of the Purchaser's Group and any third party which it has been granted any rights to Commercialise the Bulkamid Product uses Commercially Reasonable Efforts to Commercialise the Bulkamid Product.

2.2 If the Purchaser's Group agrees to sell the assets, or the entire issued share capital of a member of the Purchaser's Group that holds the assets, constituting the Bulkamid Product to a third party purchaser ("New Purchaser"), (a "Sale") it shall be a condition of any such Sale that such New Purchaser undertakes to the Vendor to comply with Clause 7 and Schedule 12 to this Agreement as if it were named as the Purchaser.

2.3 If paragraph 2.2 applies and any Milestone Statement delivered is prepared in respect of a Milestone Year, part of which falls during the period before the Sale and part of which falls during the period on or after the Sale:

(a) in respect of that part of the Milestone Year falling before the Sale, the Milestone Statement shall be drawn up in respect of Bulkamid Product Sales of the Purchaser's Group; and

(b) in respect of that part of the Milestone Year falling on or after the Sale, the Milestone Statement shall be drawn up in respect of Bulkamid Product Sales of the New Purchaser's Group,

and Schedule 12 shall be read accordingly, and the Purchaser shall provide all such information and assistance as the New Purchaser may reasonably require for the purpose of the New Purchaser complying with its obligations under Clause 7 and Schedule 12.

SCHEDULE 13

Part A: Employees

Country (employed in)	Name	Function	Role	Job title
UK	[***]	Sales	Sales Rep	Key Account Manager
UK	[***]	Sales	Sales Rep	Key Account Manager
UK	[***]	Sales	Sales Rep	Key Account Manager
UK	[***]	Sales	Sales Rep	Local Account Manager
UK	[***]	Sales	Sales Rep	Key Account Manager
UK	[***]	Sales	Sales Rep	Key Account Manager
UK	[***]	Sales	Sales Rep (Sweden)	
UK	[***]	Sales	Commercial Operations	Business Development Manager
UK	[***]	Commerical & Mktg	Marketing & Distributor Mgmt	Marketing Director
UK	[***]	Commerical & Mktg	Marketing	Marketing Executive
Denmark	[***]	Commerical & Mktg	Professional Education	
Germany	[***]	Sales	Sales Rep	Key account manager
Germany	[***]	Sales	Sales Rep	Key account manager
Germany	[***]	Sales	Sales Rep	Key account manager
Germany	[***]	Sales	Sales Rep	Key account manager
Germany	[***]	Sales	Sales manager	Sales manager
Germany	[***]	Sales	Commercial Operations	Commercial operations manager
Germany	[***]	Admin / Other	Assistant	Assistant
Germany	[***]	Sales	Sales Rep	Key account manager
France	[***]	Sales	Commercial Operations	Commercial operations manager

US	[***]	Admin / Other	Assistant	
US	[***]	Sales	Sales Rep	Senior Regional Sales Manager

Part B: Contractors

Country (employed in)	**Name**	**Function**	**Role**
France	[***]	Sales	Sales rep (agent)
France	[***]	Sales	Sales rep (agent)
France	[***]	Sales	Sales rep (agent)
US	[***]	Sales	Sales rep (contractor)
US	[***]	Sales	Sales rep (contractor)
US	[***]	Sales	Sales rep (contractor)
US	[***]	Sales	Sales rep (contractor)
UK	[***]	Other	Responsible Person

SCHEDULE 14

Part 1: Terms of Assignment and Novation

1. DEFINITIONS

1.1 In this Schedule, the following terms have the following meanings:

"**Assigned Rights**" means the right to receive the Milestone Payment, all sums standing to the credit of the Escrow Account and any other amounts that become payable to the Vendor by the Purchaser under this Agreement at any time after Completion;

"**Effective Novation Time**" means the time and date specified in a Novation Notice on which the Novation is to take effect;

"**Liabilities and Obligations**" means all wholly or partly undischarged or wholly or partly unperformed liabilities and obligations (and all claims arising from them) whenever, whatsoever and howsoever arising in connection with the performance or non-performance of this Agreement (in each case whether known or unknown, actual, accrued, future, contingent or prospective, and whether arising in contract, tort or otherwise) which immediately before the Effective Novation Time attach to the Vendor or which after the Effective Novation Time would have attached to the Vendor in the absence of a Novation;

"**Nominee**" has the meaning given in paragraph 3.6 of Part 1 of this Schedule 14;

"**Novation**" means the assumption by Contura International of the Vendor's Liabilities and Obligations, and the transfer to Contura International of the Vendor's Rights, under this Agreement in place of and to the exclusion of the Vendor in accordance with paragraphs 3.2 and 3.3, and subject to paragraph 3.6 below;

"**Novation Notice**" means a notice in the form set out in Part 2 of this Schedule, duly executed and delivered as a deed by each of the Vendor and Contura International or the Nominee (as the case may be);

"**Rights**" means all rights and benefits (and all claims arising from them) whenever, whatsoever and howsoever arising in connection with the performance or non-performance of this Agreement (in each case whether known or unknown, actual, accrued, future, contingent or prospective, and whether arising in contract, tort or otherwise) which immediately before the Effective Novation Time belong to the Vendor or to which the Vendor would have been entitled after the Effective Novation Time in the absence of a Novation; and

"**Vendor Assignees**" means the persons to whom the Assigned Rights have been assigned in accordance with this Schedule 14 from time to time.

2. ASSIGNMENT

2.1 The Vendor may at any time after Completion, without the consent of the Purchaser, assign the benefit of the Assigned Rights to the following persons (being the persons who are at the date of this Agreement the shareholders of the Vendor) in the following proportions:

Name	Address	Proportion (%)
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
Total		100%

2.2 Aspire Pharma Holdings Limited may at any time after any assignment under paragraph 2.1, without the consent of the Purchaser, reassign the benefit of the whole of its right to receive that proportion of the Assigned Rights set against its name in the table in paragraph 2.1 to the following person (being the person who is at the date of this Agreement the shareholder of Aspire Pharma Holdings Limited):

Name	Address
[***]	[***]

2.3 APHL1 Limited may at any time after an assignment under paragraph 2.2, without the consent of the Purchaser, reassign the benefit of the whole of its right to receive that amount of the Assigned Rights assigned to it under paragraph 2.2 to the following persons (being the persons who are at the date of this Agreement the shareholders of APH1 Limited) in the following proportions:

Name	Address	Proportions (%)
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
Total		100%

2.4 If the Vendor, Aspire Pharma Holdings Limited or APH1 Limited assigns its right to receive all or any part, as the case may be, of the Assigned Rights in accordance with paragraph 2.1, 2.2 or 2.3, as the case may be, it shall give notice in writing of such assignment to the Purchaser immediately.

2.5 Notwithstanding any assignment by the Vendor, Aspire Pharma Holdings Limited or APH1 Limited in accordance with paragraph 2.1, 2.2 or 2.3, as the case may be, the payment by the Purchaser to the Vendor or, in the case of a Novation made in accordance with paragraph 3 of this Schedule, Contura International or the Nominee (as the case may be), of any sums due under the Assigned Rights in accordance with the terms of the Agreement shall constitute an effective discharge of the relevant payment obligation(s) on the Purchaser and, for the avoidance of doubt, the Purchaser shall be under no obligation to make any such payment to any person other than either the Vendor or Contura International or the Nominee (as the case may be).

3. NOVATION

3.1 The Vendor may at any time after Completion give a Novation Notice to the Purchaser.

3.2 Subject to paragraphs 3.6 and 3.7 below, if the Vendor gives a Novation Notice to the Purchaser then, with effect from the Effective Novation Time:

(a) the Purchaser releases the Vendor and the Joint Liquidators (if subsequently appointed) from the observance, performance and discharge of the Liabilities and Obligations;

(b) Contura International shall be entitled to the Rights (other than the right of the Vendor Assignees to receive the Assigned Rights, to which the Vendor Assignees shall remain entitled on and subject to the terms of paragraph 2 of this Schedule 14) in place of and to the exclusion of the Vendor;

(c) the Purchaser accepts the observance, performance and discharge of the Liabilities and Obligations and the assumption of the Rights (other than the right of the Vendor Assignees to receive the Assigned Rights, to which the Vendor Assignees shall remain entitled on and subject to the terms of paragraph 2 of this Schedule 14) by Contura International in place of and to the exclusion of the Vendor;

(d) the Vendor releases and discharges the Purchaser from all of its obligations and liabilities to the Vendor arising under or in connection with the Agreement, and all such obligations and liabilities shall instead be owed to Contura International or (in the case of the Assigned Rights) the Vendor Assignees; and

(e) Contura International undertakes and covenants, in accordance with the terms of the Novation Notice, as a separate obligation with each of the Vendor and the Purchaser to assume, observe, perform, discharge and be bound by the Liabilities and Obligations in place of and to the exclusion of the Vendor and the Joint Liquidators (if subsequently appointed) and to be bound by the terms of this Agreement in all respects,

as if Contura International had at all times been a party to this Agreement and this Agreement shall be read and construed accordingly and all things done by the Vendor (and the Joint Liquidators (if subsequently appointed) pursuant to and in connection with this Agreement before the Effective Novation Time shall be deemed from the Effective Novation Time to have been done not by the Vendor but by Contura International and the Purchaser shall have right of recourse to pursue Contura International, in place of the Vendor for any claim, counterclaim, demand, action or proceeding (including arbitration) of any nature whatsoever arising in connection with any performance or non-performance of the Agreement by the Vendor prior to the Effective Novation Time.

3.3 If the Vendor gives a Novation Notice to the Purchaser then, with effect from the Effective Novation Time, the Purchaser undertakes and covenants with the Vendor and the Joint Liquidators (if subsequently appointed) that it shall not make any claim, counterclaim, demand, action or proceeding (including arbitration) of any nature whatsoever, or seek to

enforce any right or interest, against the Vendor or the Joint Liquidators (if subsequently appointed) in connection with any past, present or future performance or non-performance of this Agreement.

3.4 If the Vendor gives a Novation Notice to the Purchaser then, with effect from the Effective Novation Time, payments to be made to Contura International (to hold on trust for the Vendor Assignees, if applicable) shall be made in immediately available funds by electronic transfer on the due date for payment to the following bank account (or such other bank account as Contura International may give not less than three Business Days' notice in writing to the Purchaser from time to time):

Account Name: Contura International Limited
Bank: Clydesdale Bank PLC
Branch: Head Office, Glasgow
Sort Code: [***]
Account Number: [***]
IBAN: [***]

3.5 Paragraph 3.2 shall not prejudice the right of the Vendor Assignees to be paid the Milestone Payment nor, subject to paragraph 2.5, the obligation of the Purchaser to pay the Milestone Payment to the Vendor Assignees.

3.6 Contura A/S and Contura International A/S must be wholly owned subsidiaries of Contura International at the Effective Novation Time.

3.7 If, following the Novation, Contura International ceases to be a member of the Vendor's Group it shall, at or immediately prior to the time it ceases to be a member of the Vendor's Group, novate the Liabilities and Obligations to such member of the Vendor's Group as the Purchaser may nominate in writing (the "**Nominee**"), and shall deliver, and procure that such Nominee delivers, a duly executed Novation Notice to the Purchaser in advance of Contura International ceasing to be a member of the Vendor's Group, and references in this Schedule 14 to Contura International shall be read and construed as references to the Nominee.

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Part 2: Form of Novation Notice

From: Contura Holdings Limited (in members' voluntary liquidation) ("**Vendor**")
6th Floor
2 London Wall Place
London
England
EC2Y 5AU

[Contura International Limited ("**Contura International**")
14 Took's Court
London
England
EC4A 1LB]

OR

[name and address of Nominee]

To: Axonics Modulation Technologies, U.K. Limited ("**Purchaser**")
5th Floor, One New Change
London
United Kingdom
EC4M 9AF

[*Date*]

Agreement dated [●] 2021 entered into between, amongst others, Vendor and Purchaser relating to the sale of the entire issued share capital of Contura Limited (the "Agreement")

We refer to the Agreement. Terms defined in the Agreement and not otherwise defined in this letter have the same meanings in this letter.

This is a Novation Notice given in accordance with Part 1 of Schedule 14 to the Agreement.

The Novation shall take effect from [*Time*][a.m./p.m.] on [*Date*], such time and date being the Effective Novation Time.

With effect from the Effective Novation Time, [Contura International] **OR** [name of Nominee] undertakes and covenants as a separate obligation with each of the Vendor, the Joint Liquidators and the Purchaser to assume, observe, perform, discharge and be bound by the Liabilities and Obligations in place of and to the exclusion of the Vendor pursuant to the terms of Part 1 of Schedule 14 to the Agreement.

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Yours faithfully

Joint Liquidator
(acting as agent of the Vendor without personal liability)

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

EXECUTED AS A DEED
by **CONTURA HOLDINGS LIMITED**
acting by:

Signature of Director /s/ Patrick Banks

Print name of Director Patrick Banks

Signature of Director /s/ Rakesh Tailor

Print name of Director Rakesh Tailor

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

EXECUTED AS A DEED
by **AXONICS MODULATION TECHNOLOGIES, U.K. LIMITED**
acting by:

Signature of Director /s/ Raymond W. Cohen

Print name of Director Raymond W. Cohen

Signature of Director

Print name of Director

EXECUTED AS A DEED by **AXONICS MODULATION TECHNOLOGIES, INC.**, a company incorporated in the State of Delaware, U.S.A. acting by

who, in accordance with the laws of that territory, are acting under the authority of the company Signature(s):

/s/ Raymond W. Cohen
Authorised signatory

Authorised signatory

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

Exhibit 10.2

DATE: FEBRUARY 25, 2021

EXCLUSIVE MANUFACTURING AND SUPPLY AGREEMENT

Between

CONTURA INTERNATIONAL A/S

and

CONTURA LIMITED

TABLE OF CONTENTS

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

THIS AGREEMENT is made on the date on which it has been signed by both parties.

PARTIES:

(1) **Contura International A/S**, a company incorporated in Denmark with a principal place of business at Sydmarken 23, DK 2860 Søborg, Denmark ("**Manufacturer**"); and

(2) **Contura Limited**, a company incorporated in England with a principal place of business at 14 Took's Court, London, EC4A 1LB ("**Customer**")

(each of the Manufacturer and the Customer being a "**party**" and together the Manufacturer and the Customer are the "**parties**").

RECITALS:

(A) The Manufacturer is the manufacturer of Product (as defined below).

(B) The Customer and/or its Affiliates have on or around the date of this Agreement acquired and/or in-licenced worldwide rights to the Product, including, but not limited to, the Product IP (the "**Acquisition**").

(C) This Agreement is made wholly in connection with the Acquisition and as an essential part of the Customer and its Affiliates realising the value of the distribution business and the Product IP previously operated by the Manufacturer with a view to maximising the availability of the Products in the Field worldwide.

(D) The Customer wishes for the Manufacturer to exclusively manufacture and supply the Product to the Customer following the Acquisition, subject to Customer's right to a technology transfer as provided in clause 22 of this Agreement. The technology transfer right provided in clause 22 is a material part of this Agreement.

(E) The Manufacturer shall manufacture and supply to the Customer, and the Customer shall purchase, the Product on the terms and conditions of this Agreement.

THE PARTIES AGREE:

1. DEFINITIONS AND INTERPRETATION

In this Agreement:

"**Affiliate**" means any entity that directly or indirectly Controls, is Controlled by or is under common Control with, another entity;

"**Applicable Laws**" means all applicable laws, statutes, directives, rules, regulations, and guidelines, including all applicable standards or guidelines promulgated by any applicable Governmental Entity;

"**Acquired IP**" means the Intellectual Property Rights relating to the Product assigned to the Customer and/or its Affiliates as part of the Acquisition;

"BUKIT" means a Bulkamid kit, as further set out in the Specifications;

"BU10" means a single 1mL syringe of urethral bulking agent, consisting of [***]% water and [***]% polyacrylamide, as further set out in the Specifications;

"**Business Day**" means a day other than a Saturday, Sunday or bank or public holiday in Denmark, England or California;

"**Change Control Procedure**" means, unless otherwise provided in this Agreement, the process by which any change to this Agreement including a change to the Product is agreed, as set out in Schedule 3;

"**Commencement Date**" means the effective date of this Agreement;

"**Confidential Information**" means:

(a) information however recorded or communicated, including technical or other information (other than the Know-how licenced under the Know-how Licence Agreement), received or obtained directly or indirectly by a party from the other party in anticipation of or in connection with this Agreement which is identified as being confidential at the time of disclosure or which a reasonable person in the position of the Receiving Party would understand to be confidential due to the nature, type or presentation of the information;

(b) the Know-how licenced to the Customer under the Know-how Licence Agreement, of which the Customer shall be deemed to be the Disclosing Party but only in relation to use in the Field;

(c) any other Know-how of either party relating to the Manufacture of the Product (other than the Know-how licenced to the Customer under the Know-how Licence Agreement);

(d) Improvements, of which the owning party shall be deemed to be the Disclosing Party;

(e) Joint Improvements (as defined in clause 12.2), of which each party shall be deemed to be both the Disclosing Party and the Receiving Party; and

(f) the terms of this Agreement, of which each party shall be deemed to be both the Disclosing Party and the Receiving Party;

"**Contract Year**" means a period of 12 consecutive months during the Term commencing on 1 January, provided that:

(a) the first Contract Year shall start on the Commencement Date and end on 31 December 2021; and

(b) the last Contract Year shall end on the date of termination of this Agreement;

"**Control**" means:

(a) the possession, directly or indirectly, of more than 50% of the issued share capital, stock or securities of, or the voting rights in, a person or the right to receive more than 50% of the income, profits or assets of a person;

(b) the right or power, directly or indirectly, to appoint or remove the majority of the board of directors or other officers of a person or of those directors or officers who have voting rights in relation to the person's management; or

(c) the right or power, directly or indirectly, to direct or cause the direction of the management, policies or affairs of a person, through voting rights, by contract or otherwise;

"**Cross-Licence Agreement**" means the licence agreement between Contura A/S and Customer signed on or around the Commencement Date under which Contura A/S granted Customer a licence to use certain trade marks relevant to the Products and Customer granted Contura A/S an exclusive licence to certain patents outside the Field;

"**Customer Group**" means the Customer together with its Affiliates;

"**Customer Intellectual Property**" means any Intellectual Property Rights that are owned, developed or acquired by, or licenced (other than by the Manufacturer Group) to, the Customer Group prior to, on or after the Commencement Date, including the Acquired IP.

"**Delivery**" means delivery of the Product by the Manufacturer in accordance with the requirements of clause 5 and "**Deliver**" and "**Delivered**" shall be construed accordingly;

"**Disclosing Party**" means the party:

(a) whose, or whose Affiliate's, Confidential Information is disclosed to or obtained by the other party or its Affiliate, or

(b) which is so deemed in relation to particular Confidential Information;

"Enforcement against Customer" has the meaning given to it in Schedule 4 section 14.3;

"Enforcement against Manufacturer" has the meaning given to it in Schedule 4 section 14.1;

"**Field**" means the field of [***];

"**Force Majeure Event**" means any act, event, omission, accident or circumstances beyond the reasonable control of a party, which prevents, delays or hinders it from performing its obligations under this Agreement, including, any of the following: (a) acts of God, flood, earthquake, windstorm or other natural disaster, (b) war (or threat of, or preparation for, war), armed conflict (or threat of, or preparation for, armed conflict), (c) imposition of border controls, sanctions, embargo, breaking off of diplomatic relations or similar actions, (d) terrorist attack, civil war, civil commotion or riot (or the threat of, or preparation for, a terrorist attack, civil war, civil commotion or riot), (e) nuclear, chemical or biological contamination or sonic boom, (f) epidemic or pandemic, (g) fire or explosion (other than, in each case, one caused by breach of contract by, or with the assistance of, the party seeking to rely on it as a Force Majeure Event or by a member of the same group as such party), (h) adverse weather conditions, (i) any labour dispute, including, but not limited to, strikes, industrial action or lockouts, (j) interruption or failure of utility service, including but not limited to electricity, gas or water, (k) any Applicable Law, and (l) any action taken by a Governmental Entity or public authority, including, but not limited to, a failure to grant a necessary licence or consent or the imposition of an export restriction, import restriction, quota or other restriction or prohibition; but not including any obligation of the Customer to pay the Price to the Manufacturer;

"**Forecast**" has the meaning given in clause 3.1 and "**Forecasted**" shall be construed accordingly;

"**Governmental Entity**" means any court, administrative body, local authority or other governmental or quasi-governmental entity with competent jurisdiction, any supra-national, national, federal, state, municipal, provincial or local governmental, regulatory or administrative authority, ministry, agency, commission, coordination group, court, tribunal, arbitral body, self-regulated entity, private body exercising any regulatory, taxing, importing or other governmental or quasi-governmental authority or other governmental entity, including any relevant Regulator;

"**Improvement**" means any new or improved process, technique, method, formula, invention or Know-how that relates to the Products or the Manufacture of the Products and is created during the Term of this Agreement;

"**Intellectual Property Rights**" means copyright, rights related to copyright such as moral rights, patents, rights in inventions, rights in confidential information, Know-how, trade secrets, trade

marks, trade names, design rights, rights in get-up, database rights, databases, data exclusivity rights, domain names, rights in computer software, unfair competition and passing off, and all similar rights of whatever nature wherever in the world arising and, in each case:

(a) whether registered or not,

(b) including any applications to protect or register such rights,

(c) including all renewals and extensions of such rights or applications, and

(d) wherever existing;

"**Know-how**" means all industrial, manufacturing, technical and or commercial information and techniques in any form, whether or not confidential, proprietary, patented or patentable, including drawings, designs, data relating to inventions, formulae, methods, processes, trade secrets, performance methodologies, techniques, specifications, technical information, component lists, expertise, test results, reports, research reports, project reports and testing procedures, instruction and training manuals, operating tables of operating conditions, market forecasts and lists and particulars of customers and suppliers;

"Know-how Licence Agreement" means the licence agreement between the Manufacturer and Contura A/S and Customer signed on or around the Commencement Date, under which the Manufacturer and Contura A/S granted Customer a licence to use certain Know-how relevant to the Manufacture of the Products;

"**Latent Defect**" means a failure of the Product (a) to conform to the Specifications or (b) to have been Manufactured in accordance with the terms of this Agreement, which failure exists at the time of Delivery of such Product but could not have been discovered by a reasonable visual inspection undertaken by or on behalf of the Customer;

"**Licenced Intellectual Property**" means the Intellectual Property Rights licenced to Customer under the Cross-Licence Agreement and the Know-how Licence Agreement;

"**Losses**" means all losses, claims, liabilities, costs, awards, fines, penalties, expenses (including reasonable legal fees and other professional expenses) and damages of any nature whatsoever and whether or not reasonably foreseeable or avoidable;

"**Manufacture**" means planning, purchasing of materials for manufacturing, manufacture, processing, compounding, assembly, storage, filling, packaging, labelling, leafleting, testing, waste disposal, quality assurance and control, despatch, sample retention and, to the extent required by Applicable Laws, stability testing, verification and validation testing, and release of finished Products, and "**Manufactured**" and "**Manufacturing**" shall be construed accordingly;

"**Manufacturer Group**" means the Manufacturer together with its Affiliates;

"**Manufacturer Intellectual Property**" means any Intellectual Property Rights that are owned, developed or acquired by, or licenced (other than from the Customer Group) to, the Manufacturer Group prior to, on or after the Commencement Date, excluding, for the avoidance of doubt, the Acquired IP which after the effective date of the Acquisition are owned by Customer Group;

"**Manufacturing Site**" means the manufacturing site operated by the Manufacturer at Sydmarken 23, DK 2860 Søborg, Denmark, and any replacement manufacturing site pursuant to clause 2.7;

"**Notified Body**" means a conformity assessment body designated as a notified body in accordance with the European Union medical devices directive 93/42/EEC (or "**EU MDD**"), the European Union medical devices regulation 2017/745/EU (or "**EU MDR**") and/or the United

Kingdom Medical Devices Regulations 2002 or any subsequent regulation or laws amending, supplementing or replacing any of the foregoing;

"**Official Product Recall Notice**" has the meaning given in clause 17.1;

"**Order**" has the meaning given in clause 4.1;

"**Price**" means the price of the Products, as set out in, or calculated or determined in accordance with, Schedule 1 and clause 7;

"**Product**" means BUKITs or BU10s, as applicable, and any modification and/or variations of each agreed by the parties under this Agreement for use in the Field;

"**Product IP**" means the Acquired IP and the Licenced Intellectual Property;

"**Quality Agreement**" means the agreement allocating regulatory responsibilities and tasks in relation to the Products, to be entered into by the parties without undue delay after the Commencement Date, but no later than 15 Business Days after the Commencement Date, to be negotiated in good faith among the parties immediately after the Commencement Date, as amended from time to time;

"**Receiving Party**" means the party:

(a) to whom, or to whose Affiliate, Confidential Information of the other party or its Affiliate is disclosed; or

(b) which is so deemed in relation to particular Confidential Information;

"**Regulator**" means any relevant authority which regulates any aspect of the development, Manufacture, supply, promotion and/or use of the Product and/or which has competence for market surveillance in respect of the Product;

"Rest of World" means any jurisdiction in which the Products are investigated, Manufactured, placed on the market, promoted, supplied and/or used outside of the European Union (or **"EU"**), the United Kingdom (or **"UK"**) or the United States of America (or **"USA"**);

"SKU" means Stock Keeping Unit and shall comprise, in respect of Product, separable lines of Product by reference to their packaging, labeling, instruction for use or other contents (for example a BUKIT for the EU market will be a different SKU to a BUKIT for the US market, due to their different labeling and release requirements);

"**Specifications**" means the technical specifications for the required quality and characteristics of each Product as attached to this Agreement at Schedule 2;

"**Steering Committee**" has the meaning given in clause 11.1;

"**Sub-contract**" means any contract between the Manufacturer and a Third Party pursuant to which the Manufacturer agrees to source the performance of services or the supply of goods (or any of them) from that Third Party;

"**Sub-contractor**" means those persons with whom the Manufacturer enters into a Sub-contract including its or their employees, officers, sub-contractors or agents;

"**Term**" means the term of this Agreement, as set out in clause 21.1;

"**Third Party**" means any person other than the parties and their Affiliates;

"**Third Party Claim**" has the meaning given in clause 13.3;

"**UK Approved Body**" has the meaning given to the term "approved body" in the United Kingdom Medical Devices Regulations 2002;

"UK Responsible Person" has the meaning(s) given to the term "UK Responsible Person" in the United Kingdom Medical Devices Regulations 2002;

"**VAT**" means value added tax or other sales tax chargeable under Applicable Laws; and

"**Working Hours**" means 8:00am to 4:00pm on a Business Day.

1.1 In this Agreement:

1.1.1 a reference to this Agreement includes its Schedules, appendices and annexes (if any);

1.1.2 a reference to a party includes that party's personal representatives, successors and permitted assigns;

1.1.3 a reference to a 'person' includes a natural person, corporate or unincorporated body (in each case whether or not having separate legal personality) and that person's personal representatives, successors and permitted assigns;

1.1.4 words in the singular include the plural and vice versa;

1.1.5 any words that follow 'include', 'includes', 'including', 'in particular' or any similar words and expressions shall be construed as illustrative only and shall not limit the sense of any word, phrase, term, definition or description preceding those words;

1.1.6 'writing' or 'written' includes any method of reproducing words in a legible and non-transitory form, including email;

1.1.7 the table of contents, background section and any clause, Schedule or other headings in this Agreement are included for convenience only and shall have no effect on the interpretation of this Agreement;

1.1.8 a reference to legislation includes all subordinate legislation made from time to time under that legislation and is a reference to that legislation as amended, extended, re-enacted, incorporated, transposed, converted or consolidated from time to time;

1.1.9 a reference to a particular time shall be that time in the time zone applicable to the Manufacturing Site; and

1.1.10 a reference to any English action, remedy, method of judicial proceeding, court, official, legal document, legal status, legal doctrine, legal concept or thing shall, in respect of any jurisdiction other than England, be deemed to include a reference to that which most nearly approximates to the English equivalent in that jurisdiction.

2. THE PARTIES' OBLIGATIONS

2.1 Subject to clause 2.6, the Manufacturer shall Manufacture and supply to the Customer such quantities of the Product as ordered by the Customer in accordance with clause 4 using due care and skill and in accordance with:

2.1.1 the terms of this Agreement;

2.1.2 the Specifications;

2.1.3 the Quality Agreement; and

2.1.4 all Applicable Laws.

2.2 The Manufacturer shall, in performing its obligations under this Agreement, comply with all Applicable Laws relevant to the Manufacture of the Product and the sale and supply of the Product under this Agreement.

2.3 Each party shall cooperate with the other party to enable the other party to carry out its obligations in accordance with this Agreement. In particular, the Customer shall provide such assistance, information or cooperation as the Manufacturer may reasonably request in connection with its regulatory obligations relating to this Agreement. The Manufacturer shall not be liable under this Agreement for any failure to perform its regulatory obligations to the extent such failure results from the acts or omissions of the Customer.

2.4 The Manufacturer agrees to Manufacture and supply the Product exclusively in the Field for the Customer and its Affiliates during the Term. The Customer agrees to procure all of its, and its Affiliates', demand for Products exclusively from the Manufacturer during the Term, *provided however*, that this exclusivity shall terminate upon the exercising by Customer of the technology transfer option set forth in clause 22, but in no event prior to the date set forth in clause 22.1.3.

2.5 The Manufacturer shall be entitled to suspend the Manufacture and supply of the Product to the Customer if (a) the Customer becomes subject to any of the events listed in clause 21.2.3; (b) the Customer is in material breach of any of its obligations under this Agreement and that breach is capable of remedy but the Customer has failed to remedy that breach within [***] days after receiving written notice identifying the alleged material breach and requiring it to remedy that breach; or (c) the Customer fails to pay any amount due under this Agreement on the due date for payment and does not pay such amount within [***] days of a notice to the Customer in writing requesting it to do so, except to the extent such amount is disputed in good faith. The Manufacturer shall promptly resume the Manufacture and supply of the Product to the Customer once the relevant issue has been resolved to the Manufacturer's reasonable satisfaction.

2.6 The Manufacturer shall obtain the Customer's written consent (such consent not to be unreasonably withheld, delayed or conditioned) prior to:

2.6.1 changing the Manufacturing Site;

2.6.2 effecting any change that constitutes or requires a change to the Specifications; or

2.6.3 changing any part of the manufacturing process for the Products, including but not limited to substituting, changing the terms of or Specifications in relation to any Sub-contractors or suppliers.

2.7 Except as otherwise provided in this Agreement, in relation to any costs, expenses or similar amounts that may be payable in connection with this Agreement:

2.7.1 each party will bear its own internal costs in relation to its compliance with, and performance of, this Agreement; and

2.7.2 each party will bear any Third Party costs incurred in relation to matters for which that party is responsible under Schedule 4, including as set out in the funding provisions of such Schedule, or otherwise in this Agreement; provided that to the extent that one party assists the other party to perform that other party's responsibilities and wishes to instruct a Third Party in connection with such assistance, the first party shall not instruct such Third Party without the prior written consent of the other party, which will not be unreasonably withheld, delayed or conditioned.

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

3. FORECASTS

3.1 The Customer shall provide to the Manufacturer rolling forecasts of the Customer's volume requirements by SKU for the Product for at least a one year period starting 180 days after the date of the forecast (the "**Forecast**"). The Forecast shall include the Customer's monthly volume requirements for the Product for the period of the Forecast. The first such Forecast shall be provided by the Customer to the Manufacturer within 10 Business Days of the Commencement Date (the "**Initial Forecast**"). For the period starting on the Commencement Date and ending 6 months thereafter (the "**Initial Period**"), a Forecast shall not be required and Manufacturer shall during the Initial Period have sufficient resources available to be able to Deliver up to [***] BUKITs to the Customer, including up to [***] BUKITs in each month of the Initial Period within [***] Business Days following an Order by Customer. The Manufacturer shall not be liable to deliver more than [***] BUKITs in the Initial Period.

3.2 The Customer shall update and provide the Forecast to the Manufacturer once every three months following the Initial Forecast during the Term. The Customer shall use its commercially reasonable endeavours to ensure that the Forecast is accurate, complete and a reasonable estimate of its anticipated requirements at the date of its preparation.

3.3 The Manufacturer shall notify the Customer in writing as soon as practicable following receipt of the Forecast if it anticipates that it shall not be able to meet the Customer's Forecast requirements. In such circumstances the Customer may at its option agree to alternative dates of Delivery of the Products.

3.4 The parties agree that the Product volumes detailed in the first six-months of the Forecast shall constitute a firm Order by the Customer for such Product for the purposes of clause 4.1. The remaining period of the Forecast are estimates of the Customer's future requirements for the Product and shall not comprise a binding commitment by the Customer to purchase such Product. The Manufacturer shall use its commercially reasonably endeavours to have available the capacities for Manufacturing the Products in the quantity as indicated by the Forecast.

3.5 In each updated Forecast, the Customer may change its volume requirements for the Product. The Manufacturer shall not be obliged to accept any changes to the Forecast that exceed a 25% change in volume for the relevant period from the previous Forecast. Subject to clause 4.6, the Manufacturer shall use commercially reasonable endeavours to accept Orders which exceed a 25% increase in the volume for the applicable period in the previous Forecast, but shall not be bound to supply such excess volumes.

4. ORDERS

4.1 The Customer may place orders for the Product from time to time during the Term (each, an "**Order**"). The Customer will submit a firm Order every three months that will, subject to clause 4.3, be binding on both Customer and Manufacturer.

4.2 The Customer shall issue Orders either in writing or electronically (or by any other means agreed by the parties) to the Manufacturer at least 180 days in advance of the required Delivery date, except for the Initial Period, in which the Customer shall be entitled to issue Orders at any time with 20 Business Days in advance of the required Delivery date to the extent in accordance with the volumes set forth in Section 3.1. Each Order shall be treated as a separate offer by the Customer to purchase the Product on and subject to the terms and conditions of this Agreement.

4.3 The Manufacturer shall confirm each Order in writing or electronically (or by any other means agreed by the Parties) within 10 Business Days of receipt, *provided however*, that the

Manufacturer may decline an Order within the same 10 Business Days period: (a) to the extent it relates to volumes of Product in excess of the volumes permitted under clause 3.5, and the Manufacturer can demonstrate that using reasonable endeavours it is unable to supply these incremental volumes and provided that Manufacturer complies with clause 4.5; or (b) to the extent it falls outside the maximum order quantities in clause 4.6; or (c) if the Manufacturer has suspended Manufacture and supply of the Product pursuant to clause 2.6.

4.4 Any Order may be amended or cancelled only by written agreement of both parties.

4.5 Where the volume of the Product to be delivered pursuant to an Order exceeds the preceding Forecast by more than 25%, the Manufacturer may suggest amendments to the timing or quantities for Delivery of the excess volumes of Product, in which case the parties shall use reasonable endeavours to agree such amendments, and in the event of such agreement, the Manufacturer shall promptly confirm to the Customer its acceptance of the exceeding portion of the Order, including the agreed quantity of the Product and the date for Delivery. For the avoidance of doubt, the Manufacturer shall not be entitled to decline an Order which is within a range of 25% (less or more) than the relevant preceding Forecast.

4.6 The Customer shall have no obligation to purchase any minimum quantities of Products during the Term. Manufacturer shall have no obligation to Manufacture or supply the Product, or use reasonable endeavours to do so (notwithstanding clause 3.5), in volumes that exceed the maximum order quantities set out below:

Contract Year	**Maximum order quantity**
Contract Year 1	[***] BUKITs (where for the purpose of this maximum, 2 BU10s shall be treated as equivalent to 1 BUKIT)
Contract Year 2	[***] BUKITs (where for the purpose of this maximum, 2 BU10s shall be treated as equivalent to 1 BUKIT)
Contract Year 3	[***] BUKITs (where for the purpose of this maximum, 2 BU10s shall be treated as equivalent to 1 BUKIT)
Contract Year 4 and each subsequent Contract Year	As agreed pursuant to clause 4.8

4.7 As Contract Year 1 will be less than a full calendar year, the maximum order quantity for Contract Year 1 will be reduced on a pro-rata basis.

4.8 For Contract Year 4 and each subsequent Contract Year, the parties shall discuss the maximum order quantity in the Steering Committee and shall use reasonable endeavours to agree to maximum order quantities within 30 days of a written request from either party to agree to such maximum order quantities; *provided, however*, that if the parties are unable to agree to such maximum order quantity, the maximum order quantity for Contract Year 4 shall be no lower than 120% of the maximum order quantity for Contract Year 3, with subsequent Contract Years following this model based on the Product quantities for the preceding Contract Year.

5. DELIVERY

5.1 The Manufacturer shall Deliver the Product DAP (Incoterms 2020) to a location in the Netherlands designated by Customer in the relevant Order (or such other location agreed in

writing by the parties) and shall promptly notify the Customer in writing that the Product has been delivered. The cost of shipping the Product to Customer's designated location and the risk of loss during such shipment shall be the responsibility of Manufacturer.

5.2 The Manufacturer shall not be liable for any delay in delivering an Order to the extent that delay is due to the Customer's failure to comply with its obligations under this Agreement.

6. TITLE AND RISK IN THE PRODUCT

6.1 Risk in the Product shall pass to the Customer on Delivery.

6.2 Title to the Product shall pass to the Customer on Delivery.

6.3 If, at any time before title to the Product has passed to the Customer, the Customer has become subject to any of the events specified in clause 21.2.3, the Manufacturer may require the Customer at the Customer's expense to return to the Manufacturer all Products for which the Customer has not yet paid the Manufacturer. If the Customer fails to do so within a reasonable period, the Manufacturer may enter any premises where the Products for which the Manufacturer has not yet been paid are stored and repossess them.

7. PRICE

7.1 The Prices of the Product are set out in Schedule 1 as may be adjusted from time to time pursuant to this clause 7 and the Change Control Procedure in relation to Specification changes set out in clause 10.

7.2 The Prices are inclusive of the costs of packaging, shipping, and insurance, but exclude applicable taxes and duties.

7.3 The Prices are exclusive of VAT. The Customer shall pay such VAT upon presentation by the Manufacturer of a valid VAT invoice.

7.4 For Contract Year 4 and each subsequent Contract Year, the Prices shall be the Prices for the preceding Contract Year adjusted up or down in line with the Producer and Import Price Index for Commodities, as published by Statistics Denmark and notified by the Manufacturer to the Customer in writing in the first month of such Contract Year.

7.5 If the volume of Product Delivered to the Customer in Contract Year 4 or any subsequent Contract Year is in excess of the volumes set out in the table below for that Contract Year, the Manufacturer shall apply the corresponding volume discount to all volumes of Products Delivered to the Customer for such Product in the remainder of that Contract Year. Such discounts shall be calculated on the then-current Price and applied to the relevant invoice for the Product.

Product purchase volume	**Discount**
[***] BUKITs per Contract Year	[***]% discount on the Price of all BUKITs retroactive to the first unit ordered in such Contract Year
[***] BUKITs per Contract Year	[***]% discount on the Price of all BUKITs retroactive to the first unit ordered in such Contract Year

[***] BUKITs per Contract Year	[***]% discount on the Price of all BUKITs retroactive to the first unit ordered in such Contract Year

8. INVOICING AND PAYMENT

8.1 The Customer shall pay the applicable Prices for the Product supplied under this Agreement in accordance with this clause 8.

8.2 The Manufacturer shall invoice the Customer upon Delivery of the Product. Each invoice shall specify:

8.2.1 the Price in respect of the Product Delivered;

8.2.2 the quantity of the Product Delivered and the corresponding Order reference number;

8.2.3 the amount of VAT (if any) due in respect of the Product Delivered; and

8.2.4 any other amounts payable to the Manufacturer pursuant to this Agreement.

8.3 The Customer shall pay all amounts invoiced by the Manufacturer in Euros (€) within 45 days after the date of the invoice to the account nominated in writing by the Manufacturer.

8.4 The Manufacturer may charge interest at a rate of four per cent (4%) per annum above the base rate of the Bank of England from time to time on amounts not paid by the Customer in accordance with clause 8.3 until payment is received in full. The Customer shall pay any such accrued interest required by the Manufacturer pursuant to this clause 8.4 together with the overdue amount.

9. QUALITY

9.1 The Manufacturer shall ensure that the Product supplied to the Customer pursuant to this Agreement at the date of Delivery:

9.1.1 conforms to the Specifications;

9.1.2 conforms to the requirements of the Quality Agreement; and

9.1.3 complies with all Applicable Laws that relate to the Products and the Manufacture of the Products.

9.2 The Customer shall inspect the Products without undue delay following Delivery with respect to any discrepancies in volume, transport damage or any non-conformity that can be identified through a visual, external inspection of the packaged Products Delivered. The Customer may reject any Product Delivered to it which does not meet the requirements of clause 9.1, provided that written notice of rejection is given to the Manufacturer no later than 5:00pm on the thirtieth day following the date of Delivery or, in the case of a Latent Defect, no later than 5:00pm on the tenth Business Day following the date of discovery of the Latent Defect. Such right to reject the Product shall cease to the extent:

9.2.1 the Customer uses the Product, or provides it to any Third Party for use, in any way after giving a notice of rejection;

9.2.2 the defect is due to the Manufacturer having followed the Customer’s instruction or Specifications; or

9.2.3 the defect is due to repair, repackaging, alteration, misuse, neglect, damage in transit, storage conditions, or operating conditions caused after Delivery, or results from fair wear and tear.

9.3 If the Customer rejects the Product pursuant to clause 9.2, the Manufacturer shall, at Customer's choice, repair or replace the Product or repay the price for the rejected Product in full upon return of such Product to Manufacturer. Any available remedies under this Agreement or Applicable Laws shall remain unaffected. If the Customer fails to reject defective Product within the time allowed by clause 9.2 it shall be deemed to have accepted the Product.

9.4 If the Manufacturer disagrees that any Product is defective, or considers that the defect has arisen as a result of any of the matters set out in clause 9.2, either party may require that the alleged defective Product be delivered to an independent testing laboratory (the identity of which shall be agreed by the parties or, in the absence of agreement, as determined by the Chief Executive of the Association of British HealthTech Industries) for evaluation. Except in case of manifest error, the decision of the laboratory as to whether the Product is defective, and the cause of the defect, shall be final and binding on the parties. If the laboratory determines that the Product is defective for reasons not attributable to the acts or omissions of the Customer, the Manufacturer shall pay the laboratory's fees, but otherwise the Customer shall pay the laboratory's fees and shall accept the allegedly defective batch.

9.5 This clause 9 shall not affect the parties' obligations in relation to Product complaints and vigilance, which shall be covered in Schedule 4.

10. CHANGES TO SPECIFICATIONS OR PACKAGING

10.1 Each party shall notify the other party in writing of any changes it requires to the Specifications. The receiving party shall be entitled, acting reasonably, to reject any request to change the Specifications except that it shall not reject a request to change where the change is required by Applicable Laws or a Government Entity.

10.2 All changes to the Specifications, and the basis on which the Manufacturer is to be compensated for its costs of implementing the change, shall be agreed in writing between the parties and implemented in accordance with the Change Control Procedure.

10.3 Without prejudice to the general provisions above, if either party wishes to vary the Product packaging, it shall give written notice to the other party stating fully and accurately the details of the variation (the "**Packaging Change**") it requires and the reason for such request.

10.4 The Manufacturer shall within 20 Business Days of receipt of the relevant request from the Customer for a Packaging Change, or at the same time as its request for a Packaging Change, give notice to the Customer stating whether it considers that such Packaging Change will result in, and giving details of, any increases in the lead time for Delivery of the Product and in the Price. The parties shall agree to any variation in the Price or lead times. If the parties do not agree to such variation in writing within three months following the Manufacturer's receipt of notice under clause 10.3, the parties may resolve the issue under clause 37.

11. STEERING COMMITTEE

11.1 In order to monitor the performance of the parties under this Agreement and areas for improvement, the parties shall establish a steering committee (the "**Steering Committee**").

11.2 The Steering Committee shall comprise up to three representatives of each party and a Steering Committee meeting shall be deemed quorate if one member from each party is present. Each

member of the Steering Committee may appoint and notify the other members of an alternate in case he or she is unavailable.

11.3 Each member shall have sufficient seniority, technical expertise and familiarity with the subject matter of this Agreement and be able to contribute to the Steering Committee on behalf of their party. Each party may appoint new members by providing written notice to the other party of the names and contact details of such new members and shall have the right to remove any members they have appointed.

11.4 Each Steering Committee meeting may be held in person (if reasonable to do so), or by telephone or by video conference. The parties will produce and circulate to all Steering Committee members minutes of each meeting.

11.5 The Steering Committee shall use reasonable endeavours to meet within 30 days of the Commencement Date and after that at least once every quarter (or more frequently if the parties agree (acting reasonably) that more frequent meetings are necessary) during the Term.

11.6 Decisions of the Steering Committee shall be taken by way of consensus, with each party having one vote. In the event of deadlock, the party making the proposal under consideration shall, within 10 days, submit a revised proposal to the Steering Committee. Within 5 Business Days of the revised proposal being submitted, the Steering Committee shall meet and take a decision on the revised proposal. If that does not resolve the deadlock, either party may refer the matter for resolution pursuant to clause 37.

12. INTELLECTUAL PROPERTY RIGHTS

12.1 Except as expressly set out in this clause 12, no Intellectual Property Rights of either party are transferred or licenced as a result of this Agreement. The Manufacturer Intellectual Property is and shall remain the exclusive property of the Manufacturer (or, where applicable, the Third Party licensor from whom the Manufacturer derives the right to use them), and the Customer Intellectual Property, including the Acquired IP, is and shall remain the exclusive property of the Customer (or, where applicable, the Third Party licensor from whom the Customer derives the right to use them).

12.2 The Customer will own all Improvements, and all Intellectual Property Rights in all Improvements, that are invented, developed and/or created solely by the Customer (the "**Customer Improvements**"). The Manufacturer will own all Improvements, and all Intellectual Property Rights in all Improvements, that are invented, developed and/or created solely by the Manufacturer (the "**Manufacturer Improvements**"). The Customer and the Manufacturer will jointly own all Improvements, and all Intellectual Property Rights in all Improvements, that are invented, developed and/or created jointly by the Customer and the Manufacturer (the "**Joint Improvements**").

12.3 The Manufacturer agrees that it will execute any and all documents deemed necessary by the Customer and will otherwise cooperate with the Customer to perfect its Intellectual Property Rights in the Customer Improvements and Joint Improvements, including without limitation, by providing reasonable assistance to the Customer (at the Customer's cost) in the preparation and prosecution of patent applications, and by executing any necessary assignments of patents and other Intellectual Property Rights to the Customer. The Customer agrees that it will execute any and all documents deemed necessary by the Manufacturer and will otherwise cooperate with the Manufacturer to perfect its Intellectual Property Rights in the Manufacturer Improvements and Joint Improvements, including without limitation, by providing reasonable assistance to the

Manufacturer (at the Manufacturer's cost) in the preparation and prosecution of patent applications, and by executing any necessary assignments of patents and other Intellectual Property Rights to the Manufacturer.

12.4 The Manufacturer hereby grants to the Customer a perpetual, irrevocable, limited, exclusive, royalty-free, fully paid-up, transferrable licence to use the Manufacturer Improvements and Joint Improvements solely in the Field. For the avoidance of doubt, the Customer shall not be licenced, and shall not have the right, to use any of the Manufacturer Improvements or Joint Improvements outside the Field for any purpose or for any reason. The Customer may grant sublicences through multiple tiers under the licence granted in this clause 12.4 without the prior written consent of the Manufacturer, subject to such sublicences (i) not purporting to grant any right under such Manufacturer Improvements or Joint Improvements that is broader than the rights granted in this clause 12.4 and (ii) containing restrictions on the sublicensee no less onerous than those set out in this Agreement. The Customer shall ensure that each sublicensee fully complies with the terms of its sublicence, and Customer shall be fully responsible, and shall bear all liability for, any sublicensee's failure to do so.

12.5 The Customer hereby grants to the Manufacturer a perpetual, irrevocable, limited, exclusive, royalty-free, fully paid-up, transferrable licence to use the Customer Improvements and Joint Improvements solely outside the Field. For the avoidance of doubt, and except as provided in clause 12.6 below, the Manufacturer shall not be licenced, and shall not have the right, to use any of the Customer Improvements or Joint Improvements in the Field for any purpose or for any reason. The Manufacturer may grant sublicences through multiple tiers under the licence granted in this clause 12.5 without the prior written consent of the Customer, subject to such sublicences (i) not purporting to grant any right under such Customer Improvements or Joint Improvements that is broader than the rights granted in this clause 12.5 and (ii) containing restrictions on the sublicensee no less onerous than those set out in this Agreement. The Manufacturer shall ensure that each sublicensee fully complies with the terms of its sublicence, and Manufacturer shall be fully responsible, and shall bear all liability for, any sublicensee's failure to do so.

12.6 The Customer hereby grants (and shall procure that each of its Affiliates grants) to the Manufacturer and its Affiliates, for the sole purposes of, and to the extent necessary to, Manufacture the Product for the Customer and otherwise perform its obligations and exercise its rights under this Agreement a limited, non-exclusive, royalty-free, fully paid-up licence (including the right to grant sub-licences in multiple tiers to Sub-contractors) to use the Product IP, Customer Improvements and other Customer Intellectual Property relating to the Product or its Manufacture during the Term. For the avoidance of doubt, except as expressly provided herein or any other agreement with the Customer or the Customer Group, the Manufacturer shall not be licenced to use any of the Product IP, Customer Improvements or other Customer Intellectual Property to Manufacture the Products in the Field for any person or entity other than the Customer or the Customer Group.

12.7 The Parties recognize that the Manufacturer and Chempilots A/S have entered into a Master Development Service Agreement effective as of 2 February 2021, and amended on 11 February 2021, and agree that the Manufacturer shall not, except with the prior written consent of Customer, provide written consent or a waiver of provision 5.1.2 of such Master Development Service Agreement in relation to any product within the Field, or do or undertake to do any other action which may have a similar effect.

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

13. INDEMNITY

13.1 To the fullest extent permitted by Applicable Law, the Customer shall indemnify, hold harmless and keep the Manufacturer and its Affiliates held harmless from and against any Losses incurred by the Manufacturer and its Affiliates as a result of or in connection with any Enforcement against Manufacturer, action, demand or claim that:

13.1.1 results from Product claims, information or activities that are in violation of Applicable Laws relating to any of:

(a) the marketing or promotion of the Product after the Commencement Date;

(b) the training developed or modified after the Commencement Date (or where Customer has failed after the Commencement Date to update such training to reflect changes to Applicable Laws after the Commencement Date) for and delivered to healthcare professionals in relation to the Product;

(c) information developed or modified after the Commencement Date (or where Customer has failed after the Commencement Date to update such information to reflect changes to Applicable Laws after the Commencement Date) and released for patients concerning the Product,

except to the extent that any of the above arise from negligence or wilful misconduct of the Manufacturer or was caused prior to the Commencement Date; or

13.1.2 the Manufacturer has failed to comply with any of its regulatory responsibilities relating to the Product, to the extent this is due to the acts, default or omissions of the Customer or to Manufacturer's reliance on information provided to it by Customer.

13.2 To the fullest extent permitted by Applicable Law, the Manufacturer shall indemnify, hold harmless and keep the Customer and its Affiliates held harmless from and against any Losses incurred by the Customer and its Affiliates as a result of or in connection with any Enforcement against Customer, action, demand or claim that:

13.2.1 relates to a Product supplied by the Manufacturer, to the extent such Product did not comply with the Specification at the time such Product was supplied to the Customer and such non-compliance could not have been identified by the Customer upon reasonable inspection;

13.2.2 arises from a breach by Manufacturer of the warranties in clause 14.1 of this Agreement;

13.2.3 the Customer has failed to comply with any of its regulatory responsibilities relating to the Product, where this is due to the acts, default or omissions of the Manufacturer or to Customer's reliance on information provided to it by the Manufacturer.

13.3 If any claim covered by clauses 13.1 or 13.2 is made or is reasonably likely to be made against the applicable indemnified party or any of its Affiliates (the "**Indemnitees**"), the other party (the "**Indemnifying Party**") shall:

13.3.1 as soon as reasonably practicable after the applicable Indemnitee receives notice of any Third Party claim qualifying for an indemnity ("**Third Party Claim**"), give written notice to the Indemnifying Party specifying reasonable details of the Third Party Claim and permit the Indemnifying Party to assume the conduct, defence and settlement of the Third Party Claim (provided that the Indemnifying Party shall not agree to any settlement that includes any sort of injunction or other non-monetary remedy being

granted against any of the Indemnitees without the prior written consent of the relevant Indemnitee, such consent not to be unreasonably withheld, delayed or conditioned);

13.3.2 provide to the Indemnifying Party reasonable assistance relating to any Third Party Claim at the Indemnifying Party's request and cost; and

13.3.3 not make any admissions or agreements in relation to any Third Party Claim without the Indemnifying Party's prior written consent.

13.4 If any indemnity payment under clauses 13.1 or 13.2 is subject, in the Indemnitee's hands, to any applicable taxes, the amount required to be paid by the Indemnifying Party shall be increased so as to ensure that the Indemnitee receives (after any applicable taxes have been paid) the same amount as it would have received had no such taxes been levied.

14. WARRANTIES

14.1 The Manufacturer warrants that:

14.1.1 the Product shall:

(a) subject to the Customer complying with its obligations in accordance with clause 16, be Manufactured in accordance with Applicable Laws that relate to the Manufacture of the Product; and

(b) on Delivery comply with the Specifications; and

14.1.2 it has full capacity and authority to enter into this Agreement and to perform its obligations under this Agreement;

14.1.3 it has as of the Commencement Date and will maintain in full force and effect for the duration of this Agreement all necessary permits, licences, approvals and authorisations required under Applicable Laws to enable the Manufacturer to Manufacture and supply the Product in accordance with this Agreement;

14.1.4 as of the Commencement Date, the Intellectual Property Rights subsisting in the Manufacturer's manufacturing processes or methods employed or to be employed at any facility used to Manufacture Products, are owned by the Manufacturer or the Manufacturer is otherwise entitled to use them for the purposes of this Agreement;

14.1.5 the facilities and all equipment, tooling and molds utilized in the Manufacture, storage and supply of Product hereunder by the Manufacturer shall, during the Term of this Agreement, be maintained in good operating condition;

14.1.6 the Manufacturer has and will maintain for the Term of the Agreement the skilled personnel and equipment to supply the Product in accordance with the respective Orders and this Agreement;

14.1.7 subject to clause 6.2, unencumbered title to Product will be conveyed to Customer upon Delivery; and

14.1.8 the Manufacturer will not make available the Customer Intellectual Property, the Customer Improvements or the Product IP to any Third Party in the Field, or for use in the Field, without Customer's prior written consent, except to the extent in accordance with this Agreement, the Cross-Licence Agreement or any other agreement entered into between Manufacturer and the Customer.

14.2 Save as set out expressly in this Agreement, all warranties, conditions and other terms, including the terms implied by sections 13 to 15 of the Sale of Goods Act 1979, are to the fullest extent permitted by law excluded from this Agreement.

14.3 The Customer warrants and represents that it has full capacity and authority to enter into this Agreement.

15. LIMITATION OF LIABILITY

15.1 The entire liability of the parties to each other (including liability for the acts or omissions of their respective employees, agents and Sub-contractors) under or in connection with this Agreement (regardless of whether such liability arises in tort, contract or in any other way and whether or not caused by negligence or misrepresentation) shall be as set out in this clause 15.

15.2 Neither party limits nor excludes its liability for:

15.2.1 death or personal injury caused by its negligence;

15.2.2 fraud or fraudulent misrepresentation; or

15.2.3 any other liability that cannot be excluded under Applicable Laws.

15.3 Subject to clause 15.2, for any Losses caused in the first three (3) Contract Years, either Party's total aggregate liability in respect of all Losses, whether arising from contract, tort (including negligence) or otherwise under or in connection with this Agreement shall in no event exceed the greater of the aggregate Price paid by the Customer to the Manufacturer for all Products supplied under this Agreement or EUR 5,000,000. For any Losses caused as from the beginning of Contract Year four (4), subject to clause 15.2, either Party's total aggregate liability in respect of all Losses, whether arising from contract, tort (including negligence) or otherwise under or in connection with this Agreement shall in no event exceed the aggregate Price paid by the Customer to the Manufacturer for all Products supplied under this Agreement in the preceding three (3) years.

15.4 Subject to clause 15.2, neither party shall be liable to the other party for:

15.4.1 any breach of this Agreement or the Quality Agreement by the first party to the extent due to the (a) acts, default or omissions of the other party or (b) first party's reliance on information provided to it by the other party, whether pursuant to this Agreement or otherwise;

15.4.2 any indirect, special or consequential loss or damage;

15.4.3 loss of profit;

15.4.4 loss of or corruption to data;

15.4.5 loss of use;

15.4.6 loss of production;

15.4.7 loss of contract;

15.4.8 loss of opportunity;

15.4.9 loss of savings, discount or rebate (whether actual or anticipated); or

15.4.10 harm to reputation or loss of goodwill.

16. REGULATORY COMPLIANCE

16.1 Each party shall comply with its regulatory responsibilities set out in Schedule 4.

16.2 The Customer shall give reasonable advance notification to the Manufacturer during the Term of any proposed change to Applicable Laws which may impact the Products and/or constitute or require a change to Specifications. The parties shall agree on any required change to the Manufacture and/or the Specifications as required by clause 10.

16.3 The Customer shall promptly send copies of any documents received from the Regulator related to the Product to the Manufacturer as soon as reasonably possible. The parties shall work together to agree on any necessary changes notified to the Customer by the Manufacturer in accordance with clause 16.2 in accordance with the Change Control Procedure including changes to the Price necessary to compensate the Manufacturer for the increased costs and expenses incurred in connection with the change.

16.4 The Manufacturer shall (at the Manufacturer's cost and expense):

16.4.1 permit and handle inspections of the Manufacturing Site as may be requested by any Regulator, Notified Body, UK Approved Body or other certification body;

16.4.2 if any such inspections are required by any Regulatory, Notified Body, UK Approved Body or other certification body and Customer receives the first notice of such inspection, the Manufacturer shall notify the Customer a reasonable time in advance of any such inspection and notify the Customer in writing of the findings of such inspections.

16.5 The Manufacturer shall (at the Manufacturer's cost and expense) respond to any questions of a regulatory nature relating to the Product or its Manufacture raised by any Regulator, Notified Body, UK Approved Body or other certification body.

16.6 The parties agree to cooperate with respect to data from clinical trials, other clinical data, including safety reporting, obtained by either party in relation in the Field or outside the Field and discuss and negotiate in good faith on a case-by-case how the respective other party may participate in such data, including the obtaining of and any licenses to such data, subject to regulatory compliance and the Applicable Laws in each individual case. The parties agree to cooperate and share data relating to the safety of the Product and each party grants the other party a limited, non-exclusive, irrevocable, fully paid-up licence under such data controlled by it, solely to the extent necessary for the other party to comply with its regulatory obligations relating to its products in the Field (in the case of the Customer's products) or outside the Field (in the case of the Manufacturer's products). Nothing in this clause shall oblige either party to share data where doing so would breach any Applicable Laws.

16.7 The parties undertake to enter into a Quality Agreement without undue delay after the Commencement Date, but no later than 15 Business Days after the Commencement Date, to be negotiated and agreed in good faith among the parties immediately after the Commencement Date.

17. PRODUCT RECALLS

17.1 In the event that either the Customer or the Manufacturer receives a court order or other notice from a Governmental Entity to withdraw, recall or take any other preventive or corrective action in connection with a Product in the market ("**Official Product Recall Notice**"), that party shall notify the other party immediately and shall enclose a copy of such Official Product Recall Notice.

17.2 The Manufacturer shall have in place and agreed with Customer within 3 months after the Commencement Date SOPs for Product recalls. Subject to the requirements of Schedule 4 section 13 the Customer shall undertake, implement or facilitate any Product recall, withdrawal or preventive or corrective action as expressly required by the Official Product Recall Notice. The Customer is responsible for authorizing and initiating a Product recall, unless to the extent required by an Official Recall Notice. In the event of a recall (other than due to an Official Product Recall Notice), the Customer shall notify the Manufacturer which Product, batch and/or lot is affected. The Manufacturer shall promptly follow its SOPs for such Product recalls. The Manufacturer shall provide and maintain emergency contacts and phone numbers to enable the Customer to contact the Manufacturer at any time on any day. Customer shall bear responsibility to manage and coordinate any recall or corrective actions with the Manufacturer's full support. The Manufacturer shall be responsible for the costs of any Recall to the extent it arises from the Manufacturer's breach of its obligations under this Agreement or breach of warranties in this Agreement.

18. CONFIDENTIAL INFORMATION

18.1 General obligations

At all times during the Term and for a period of five years thereafter, each party ("**Receiving Party**") shall, and shall cause its officers, directors, employees, agents, and Affiliates to, keep confidential and not publish or otherwise disclose and not use, directly or indirectly, for any purpose any Confidential Information of the other party ("**Disclosing Party**"), except to the extent such disclosure or use is expressly permitted by the terms of this Agreement or is reasonably necessary for the performance of this Agreement.

18.2 Permitted disclosures

Each party may disclose Confidential Information to the extent that such disclosure is:

18.2.1 made in response to a valid order of a court of competent jurisdiction or other competent authority; provided, however, that the Receiving Party shall first have given to the Disclosing Party (unless legally prohibited from doing so) a reasonable opportunity to challenge the order or obtain a protective order limiting disclosure and use of the Confidential Information and documents that are the subject of the order; and provided further that if the order is not dismissed or a protective order is not obtained, the Confidential Information disclosed in response to the order shall be limited to the information that is legally required to be disclosed in response to the order; or

18.2.2 otherwise required by law; provided that the Receiving Party shall (i) provide the Disclosing Party (unless legally prohibited from doing so) with reasonable advance notice of and an opportunity to comment on any such required disclosure, (ii) if requested by the Disclosing Party, seek confidential treatment with respect to any such disclosure to the extent available, and (iii) use all reasonable endeavours to incorporate the comments of the Disclosing Party in any such disclosure or request for confidential treatment.

18.3 Exclusions

Confidential Information shall not include any information that:

18.3.1 is or becomes part of the public domain or generally known to the public through no wrongful act or fault of the Receiving Party;

18.3.2 can be demonstrated by written evidence to have been in the Receiving Party's or its Affiliate's possession prior to disclosure by the Disclosing Party;

18.3.3 is subsequently received by the Receiving Party or its Affiliate from a Third Party who is not bound by any obligation of confidentiality with respect to that information;

18.3.4 is generally made available to Third Parties by the Disclosing Party without restriction on disclosure or use; or

18.3.5 is independently developed by or for the Receiving Party or its Affiliate without reference to the Confidential Information.

18.4 Where Confidential Information consists of a combination of individual elements or the principle of combining those individual elements, which combination or principle is not part of the public domain and is not in the possession of the Receiving Party, that Confidential Information shall not be treated as being part of the public domain or in the possession of the Receiving Party merely because one or more of the individual elements is part of the public domain or in the possession of the Receiving Party.

18.5 Use of name

Neither party shall mention or otherwise use any name, trade mark or trade name of the other party or its Affiliates or Sublicensees in any publication, press release, promotional material or other form of publicity without the prior written consent of the other party.

19. FORCE MAJEURE EVENT

19.1 A party shall not be liable if delayed, hindered or prevented from performing its obligations under this Agreement due to a Force Majeure Event, provided that it:

19.1.1 promptly notifies the other of the Force Majeure Event and its expected duration; and

19.1.2 uses reasonable endeavours to minimise the effects of that event.

19.2 If, due to a Force Majeure Event, a party is delayed in or prevented from performing its obligations under this Agreement for a continuous period of more than six months, the other party may terminate this Agreement on not less than four weeks' written notice.

19.3 If one Party's performance of its obligation is hindered, delayed or prevented due to an Force Majeure Event, the other Party's corresponding obligations shall be equally suspended.

20. AUDITS

20.1 The Customer shall have the right, upon not less than 30 Business Days' prior notice, at its own cost and expense, to conduct an audit during Working Hours (and no more than once in any period of 12 months), of the Manufacturing Site and the Manufacturer's quality and environmental, health and safety procedures and systems to ensure such procedures and systems are those reasonably required for the Manufacturer to Manufacture the Product in accordance with this Agreement.

20.2 The Manufacturer shall have the right, upon not less than 30 Business Days' prior notice, at its own cost and expense, to conduct an audit during Working Hours (and no more than once in any period of 12 months), of the Customer's post-market surveillance system and procedures and its compliance with the Quality Agreement to ensure such procedures and systems are those reasonably required for the Customer to carry out appropriate post-market surveillance in relation to the Product in accordance with this Agreement.

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

21. TERM AND TERMINATION

21.1 This Agreement shall continue from the Commencement Date for eight Contract Years, after which time it may be renewed by mutual written agreement of the parties ("**Term**") unless terminated earlier:

21.1.1 by the Customer for convenience on not less than six months' prior written notice to the Manufacturer; or

21.1.2 in accordance with clause 19.2 or 21.2.

21.2 Either party may, without prejudice to its other rights and remedies, by notice in writing to the other party immediately terminate this Agreement if that other party:

21.2.1 is in material breach of any of its obligations under this Agreement and that breach is not capable of remedy;

21.2.2 is in material breach of any of its obligations under this Agreement and that breach is capable of remedy but the party in breach has failed to remedy that breach within 90 days after receiving written notice identifying the alleged breach and requiring it to remedy that breach; or

21.2.3 is unable to pay its debts (within the meaning of section 123 of the Insolvency Act 1986) or becomes insolvent or an order is made or a resolution passed for the administration, winding-up or dissolution (otherwise than for the purposes of a solvent amalgamation or reconstruction) or an administrative or other receiver, manager, liquidator, administrator, trustee or similar officer is appointed over all or any substantial part of its assets, or any analogous event occurs in any applicable jurisdiction.

22. TECHNOLOGY TRANSFER OPTION

22.1 Subject to clause 22.1.3, at any time after Commencement Date but before the end of the Term, the Customer may exercise, by giving notice in writing to the Manufacturer, a technology transfer option, pursuant to which the Manufacturer will transfer and assist the Customer in the transfer of all Manufacturing Know-how owned by the Manufacturer and necessary to enable the Customer to Manufacture the Product for use in the Field itself or have it Manufactured by a Third Party, subject to the Customer:

22.1.1 [***];

22.1.2 Accepting the transfer of all regulatory responsibilities (including the CE mark and other similar registrations) associated with the Product with effect from the date of the exercise of the option under clause 22.1, or as soon afterwards as is possible. The Customer and the Manufacturer shall cooperate in good faith and use commercially reasonable best efforts to enable such transfer, including signing documents, providing information and liaising with Governmental Entities as requested by the Manufacturer; and

22.1.3 Not exercising the technology transfer option before June 30, 2022.

Notwithstanding the foregoing provisions of this clause 22.1, and at the cost of the Customer as set out in clause 22.1.1, Manufacturer agrees to provide Customer with the Know-how needed for Customer to Manufacture Product with effect from Commencement Date, except to the extent

that providing such Know-how would require a significant investment of time from Manufacturer. For avoidance of doubt, this Know-how will include but not be limited to: (a) design history files, drawings, copies of technical reports and other documentation related to the Manufacturing process, standard operating procedures, regulatory filings, complaints, work instructions, any recovery steps established, process validation, product identity assays, in-process-control assays, formulas, and manufacturing settings relating to the Manufacturing process for the Products, and (b) allowing Customer or a Third Party designated by Customer to have access to the Manufacturing Site and observe Product Manufacturing in progress. Manufacturer will have provided the documentation identified in this paragraph within thirty (45) days of the Commencement Date and will have granted access to the Manufacturing Site within ninety (90) days of the Commencement Date.

22.2 Upon exercise of the technology transfer option and subject to the provisions of this clause 22, Manufacturer shall:

22.2.1 promptly transfer to Customer and/or a Third Party designated by Customer, in a format and medium reasonably requested by Customer, all data and information necessary to transfer the Manufacturing process, as further developed by Manufacturer (e.g. in-process control assays, standard operating procedures, etc.), to the extent not already provided to Customer pursuant to clause 22.1, and

22.2.2 (i) promptly furnish to Customer and/or a Third Party designated by Customer all reasonable assistance and personnel and answer all questions regarding the transfer of the Manufacturing process (including, but not limited to, regular check-in meetings, initial in-person training for Customer's personnel at the Manufacturing Site concerning the use and operation of the manufacturing process, additional in-person training at Customer's chosen manufacturing site, etc.), and (ii) continue to provide such assistance to Customer for a period of six (6) months after the commencement of the transfer; in each case, in order to allow Customer or a Third Party designated by Customer to replicate and implement the Manufacturing process and to take over the Manufacturing of the Product. Without limiting the foregoing, Manufacturer will provide Customer and/or a Third Party designated by Customer with all technical reports and all other documents that are relevant for the Manufacture of the Product using the Manufacturing process as performed by Manufacturer at such time (including, but not limited to, any recovery steps established, process validation, product identity assays, in-process control assays, relevant standard operating procedures, etc.), to the extent not already provided to Customer pursuant to clause 22.1, and

22.2.3 provided Customer gives Manufacturer at least ten (10) Business Days' notice, (i) allow Customer to access, review and copy all records in Manufacturer's possession, custody or control that relate to the Manufacture of the Products and (ii) cooperate in good faith with Customer to determine a mutually agreeable process to access, review and copy such records, and

22.2.4 provided Customer gives Manufacturer at least twenty (20) business days' notice, (i) allow Customer to visit the Manufacturing Site to view and inspect the equipment used to Manufacture the Products and participate in test Product Manufacturing runs with Manufacturer's personnel, and (ii) cooperate in good faith with Customer to determine a mutually agreeable schedule and agenda for such visit, and

22.2.5 transfer any and all documentation and Know-how necessary to assume regulatory responsibility for the Products and the Manufacture of the Products and/or to transfer

regulatory responsibility and obligations, including (but not limited to) regulatory processes, certifications, SOPs and/or Product related regulatory approvals or permits.

The Parties shall agree in good faith on a schedule and plan for effecting the technology transfer. Any transfers of data, information or Know-how under this clause to a Third Party will be subject to such Third Party first entering into a customary written agreement with the Manufacturer to ensure the confidential treatment of such data, information or Know-how and limit its use to the Field, to the extent required for Manufacturer to protect any owned trade secrets or Intellectual Property Rights.

22.3 Following the transfer of manufacturing Know-how to the Customer or its chosen Third Party supplier under this clause 22 and Customer's assumption of all related regulatory responsibilities in a relevant jurisdiction for the Product, the Manufacturer shall have no further regulatory or product liability in relation to the Product in that jurisdiction, save for Product Manufactured by Manufacturer. For the avoidance of doubt, Manufacturer shall remain responsible for all Products it has Manufactured and Delivered to Customer.

22.4 Following the completion of the technology transfer option to the Customer or its chosen Third Party supplier under this clause 22 Manufacturer shall not make available to any Third Party any Know-how related to the Manufacturing of the Product in the Field, except as may be required under this Agreement. To the extent that Manufacturer makes available to a Third Party the Know-how relating to the Manufacturing of any products outside the Field, Manufacturer shall procure that such third party is contractually obliged not to use the Know-how for the Manufacturing of any product in the Field.

22.5 The technology transfer referred to in this clause shall be restricted to Customer's rights to manufacture Product for use within the Field. Customer shall only use such technology and Know-how to manufacture the Product for use in the Field. This restriction shall survive expiry or termination of this Agreement for any reason.

22.6 The Parties acknowledge and agree that the technology transfer right provided in this clause 22 form a material part of this Agreement and is considered by Customer a consideration to enter into this Agreement. Under the technology transfer as set forth in this clause 22, the Manufacturer shall transfer to the Customer Know-how and technology which is material to the Customer. Subject to the technology transfer option being exercised by Customer, the Manufacturer hereby undertakes during the Term and for a period of ten (10) years thereafter, that the Manufacturer will not Manufacture for itself, for the Manufacturer Group or for any Third Party, (i) any Product in the Field, or (ii) any other product in the Field which includes or incorporates any polyacrylamide hydrogel that is proprietary to the Customer or its Affiliates.

23. CONSEQUENCES OF EXPIRY OR TERMINATION

23.1 Upon expiry or termination of this Agreement for any reason:

23.1.1 the Manufacturer shall notify the Customer of and may at its option require the Customer to purchase all stock of the Product and work in progress and raw materials specific to the Manufacture of Product reasonably held by the Manufacturer (considering in particular Customer's Forecasts) at the date of termination of this Agreement. The Customer shall pay the Manufacturer the Price for such Product and in the case of work in progress and raw materials, the landed cost of such items, not later than 45 days following the date of termination of the Agreement and the Delivery of such Product, work in progress and raw materials.

23.1.2 for the avoidance of doubt, the terms of this Agreement shall apply to any Product completed and/or Delivered pursuant to this Agreement and clause 23.1.1;

23.1.3 each party shall return to the other party (or, at the other party's option, destroy) all equipment, materials, Confidential Information and property belonging to the other party that the other party has supplied to it in connection with this Agreement;

23.1.4 except to the extent necessary to comply with clause 23.1.1 and with the exception of the licences granted under clauses 12.4 and 12.5, any licences granted by either party to the other in respect of Intellectual Property Rights shall automatically terminate;

23.1.5 at any time after (i) completion of the Term or (ii) earlier termination in accordance with clause 21, and subject to the Manufacturer having offered to Customer to assume against reasonable remuneration the following rights and positions, the Manufacturer may discontinue, surrender or abandon the CE mark (or any equivalent Product registration) relating to the Product, and the Customer shall continue to carry out its post-market surveillance and other obligations relating to the Product after such discontinuance, surrender or abandonment in accordance with sections 11 through 15 of Schedule 4 of this Agreement, provided, however that the Customer may, except in the event of a termination due to a material breach by the Customer, request to be transferred any and all documentation, correspondence with Notified Bodies or other certification bodies or authorities held by the Manufacturer regarding the Product; and

23.1.6 the Customer shall, at any time following expiry or termination, without delay forward to the Manufacturer any complaints received by the Customer or its Affiliates, correspondence from Governmental Entities received by the Customer or its Affiliates or other information requested by the Manufacturer, in each case in relation to any Product which has been CE marked by the Manufacturer or carries an equivalent mark from the Manufacturer.

24. SURVIVAL

Provisions of this Agreement which are expressed to survive its expiration or termination, or from the nature or context of which it is contemplated that they are to survive, shall remain in full force and effect notwithstanding such expiry or termination.

25. NOTICES

25.1 Notices under this Agreement shall be in writing and sent to a party's address as set out on the first page of this Agreement (or to the email address set out below). Notices may be given, and shall be deemed received:

25.1.1 by airmail: 5 Business Days after posting;

25.1.2 by hand: on delivery; and

25.1.3 by email to[***] in the case of the Manufacturer and by email to [***], with a copy to [***] in the case of the Customer: on delivery, subject to clause 25.3 and provided the email is sent between 9am and 5pm in Denmark (for a notice to Manufactuer) or in California, US (for a notice to Customer) on a Business Day.

25.2 This clause does not apply to notices given in legal proceedings or arbitration.

25.3 A notice given under this Agreement by email is not validly served if (i) an out-of-office or other automatic "undelivered message" reply is received and (ii) it is not followed by a hard copy sent by airmail or courier in accordance with this clause.

26. NO PARTNERSHIP OR AGENCY

Nothing in this Agreement constitutes, or shall be deemed to constitute, a partnership between the parties nor make any party the agent of another party.

27. ASSIGNMENT AND SUB-CONTRACTING

27.1 Subject to clauses 27.2 and 27.3, neither Party shall assign, transfer, mortgage, charge or deal in any other manner with any or all of its rights and obligations under this Agreement without the prior written consent of the other Party, which shall not be unreasonably withheld, conditioned or delayed.

27.2 The Customer may assign or transfer all of its rights under this Agreement to an Affiliate or to any person to which it transfers all or substantially all of the Product IP, provided that the assignee undertakes in writing to Manufacturer to be bound by Customer's obligations under this Agreement.

27.3 The Customer or its parent company(ies) may, without having given prior written notice to the Manufacturer, sell or transfer all or substantially all of its business or assets to a third party.

27.4 The Manufacturer may perform any of its obligations and exercise any of its rights granted under this Agreement through any Affiliate or Sub-contractor only with the Customer's prior written consent, such consent not to be unreasonably withheld, delayed or conditioned. The Manufacturer acknowledges and agrees that any act or omission of its Affiliates or Sub-contractors in relation to the Manufacturer's rights or obligations under this Agreement shall be deemed to be an act or omission of the Manufacturer itself.

28. THIRD PARTY RIGHTS

Except as expressly provided in this Agreement, a person who is not a party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any of the provisions of this Agreement.

29. COMPLIANCE WITH LAW

The parties shall each comply with all Applicable Laws, provided that a party shall not be liable for any breach of this clause 29 to the extent that such breach is directly caused or contributed to by the other party or any of its officers, directors, members or partners, and any of its employees, consultants, agents, representatives or professional advisers.

30. ENTIRE AGREEMENT

30.1 This Agreement, together with the Acquisition, the IP Assignment Agreement, the Cross-License Agreement, the Know-How License Agreement and the Quality Agreement, and any agreements contemplated therein, constitutes the entire agreement between the parties relating to its subject matter and supersedes all prior agreements, arrangements and understanding between them relating to that subject matter.

30.2 The Parties confirm that they have not entered into this Agreement on the basis of any representations that are not expressly incorporated in this Agreement. The provisions of this clause 30.2 shall not apply to a fraudulent misrepresentation.

31. SEVERANCE

If any provision of this Agreement (or part of any provision) is or becomes illegal, invalid or unenforceable, the legality, validity and enforceability of any other provision of this Agreement shall not be affected.

32. FURTHER ASSURANCE

Each party shall at the request of the other, and at the cost of the requesting party, do all acts and execute all documents which are necessary to give full effect to this Agreement.

33. VARIATION

No variation of this Agreement shall be valid or effective unless it is in writing, refers to this Agreement and is duly signed or executed by, or on behalf of, each party.

34. WAIVER

No failure, delay or omission by either party in exercising any right, power or remedy provided by law or under this Agreement shall operate as a waiver of that right, power or remedy, nor shall it preclude or restrict any future exercise of that or any other right, power or remedy. No single or partial exercise of any right, power or remedy provided by law or under this Agreement shall prevent any future exercise of it or the exercise of any other right, power or remedy.

35. COUNTERPARTS

35.1 This Agreement may be signed in any number of separate counterparts, each of which when signed and dated shall be an original, and such counterparts taken together shall constitute one and the same Agreement.

35.2 Each party may evidence their execution of this Agreement by transmitting by email a signed signature page of this Agreement in PDF format together with the final version of this Agreement in PDF or Word format, which shall constitute an original signed counterpart of this Agreement. Each party adopting this method of signing will, following circulation by email, provide the original, hard copy signed signature page to the other parties as soon as reasonably practicable.

36. SET-OFF

Any amount that either Party owes to the other Party under this Agreement, whether now or at any time in the future, whether it is liquidated or not and whether it is actual or contingent, may be set off by such Party from any amount due to the other Party from such Party under this Agreement. Any exercise by any Party of its rights under this clause 36 shall not prejudice any other right or remedy available to it under this Agreement or otherwise.

37. DISPUTE RESOLUTION PROCEDURE

37.1 If any dispute arises between the parties out of or in connection with this Agreement, the matter shall be referred to senior representatives of each party who shall use their reasonable endeavours to resolve it.

37.2 If the dispute is not resolved within 30 days of the referral being made under clause, the parties shall resolve the matter through mediation in accordance with the London Court of International Arbitration Mediation Rules.

37.3 Until the parties have completed the step referred to in clause 37.1, and have failed to resolve the dispute, neither party shall commence mediation except that either party may at any time seek urgent interim relief.

38. CONFLICTS WITHIN AGREEMENT

38.1 In the event of any conflict or inconsistency between different parts of this Agreement, the following descending order of priority applies:

38.1.1 Schedule 4;

38.1.2 the Quality Agreement;

38.1.3 the terms and conditions in the main body of this Agreement; and

38.1.4 Schedules 1, 2 and 3.

38.2 Subject to the above order of priority between documents, later versions of documents shall prevail over earlier ones if there is any conflict or inconsistency between them.

39. GOVERNING LAW AND JURISDICTION

39.1 This Agreement and any dispute or claim arising out of, or in connection with, it, its subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the laws of England.

39.2 The parties irrevocably agree that the courts of England shall have exclusive jurisdiction to settle any dispute or claim arising out of, or in connection with, this Agreement, its subject matter or formation (including non-contractual disputes or claims).

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

THIS AGREEMENT has been executed and delivered on the dates written below.

Signed by Patrick Banks, Director	/s/ Patrick Banks.....
for and on behalf of	Authorised signatory
Contura International A/S Date: February 25, 2021	
Signed by Rakesh Tailor, Director	/s/ Rakesh Tailor.....
for and on behalf of	Authorised signatory
Contura International A/S Date: February 25, 2021	

and

Signed by Patrick Banks, Director	/s/ Patrick Banks.....
for and on behalf of	Authorised signatory
Contura Limited Date: February 25, 2021	
Signed by Rakesh Tailor, Director	/s/ Rakesh Tailor.....
for and on behalf of	Authorised signatory
Contura Limited Date: February 25, 2021	

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

SCHEDULE 1
PRICES

Price

Price per BUKIT (€)	Price per BU10 (€)
[***]	[***]

The above mentioned Price shall be subject, during the Term, to the Price adjustment mechanisms set out in clauses 7.4 and 7.5 and as otherwise provided in the Agreement.

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

SCHEDULE 2
SPECIFICATIONS

[***]

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED.

BUKIT

[***]

SCHEDULE 3
CHANGE CONTROL PROCEDURE

Either party may submit a written request for change to the other party in accordance with this Schedule, but no change will come into effect until a written record of the change agreed by the parties pursuant to the Change Control Procedure (a "**Change Control Note**") has been signed by the authorised representatives of each party.

1. If the Customer requests a change:

   (a) the Customer will submit a written request to the Manufacturer containing as much information as is necessary to enable the Manufacturer to prepare a draft Change Control Note; and

   (b) within 30 Business Days of receipt of a request, the Manufacturer will, unless otherwise agreed, send to the Customer a draft Change Control Note.

2. If the Manufacturer requests a Change, it will send to the Customer a draft Change Control Note.

3. A Change Control Note must contain sufficient information to enable the Customer to assess the proposed change, including as a minimum:

   (a) the title of the change;

   (b) the party that requested the change and date of request;

   (c) description of the change;

   (d) details of the effect of the proposed change on:

      i. the Products;

      ii. the Price;

      iii. the regulatory implications; and

      iv. any other term of this Agreement;

   (e) the date of expiry of validity of the Change Control Note; and

   (f) provision for signature by the Customer and Manufacturer.

4. If, following the Customer's receipt of a draft Change Control Note pursuant to sections 2 or 3 above:

   (a) the parties agree the terms of the relevant Change Control Note, they will sign it and that change Control Note will amend this Agreement; or

   (b) either party does not agree to any term of the Change Control Note, then the other party may refer the disagreement to be dealt with in accordance with the dispute resolution procedure in clause 37.

5. Each party will bear its own costs in relation to compliance with the Change Control Procedure.

SCHEDULE 4
REGULATORY RESPONSIBILITIES

Each party shall comply with its regulatory responsibilities set out in this Schedule 4. Any regulatory responsibilities not allocated to the Manufacturer in this Schedule 4 or not otherwise dealt with in the Quality Agreement shall be the responsibility of the Customer. Costs of compliance shall be allocated as set out in clause 2.7 of the Agreement.

MANUFACTURER

Manufacturer shall perform such tasks as are necessary for day to day regulatory compliance associated with maintaining Product registrations in the US, UK, EU and Rest of World as set out below. Customer shall fully collaborate and cooperate with Manufacturer as set out below to ensure Manufacturer is enabled to achieve and/or maintain compliance as the manufacturer and/or Product registration holder.

1. VALIDATION TESTING.

1.1 Manufacturer shall design and conduct, or procure the design and conduct of all validation testing of Manufacturing equipment and/or procedures where this is required for the sole purpose and necessity of maintaining Product registrations in the US, the UK, the EU and Rest of World. For the avoidance of doubt, this shall include additional validation work related to the Manufacturing equipment and/or Manufacturing procedures required for any necessary upgrading of Product dossiers to meet UKCA Mark and/or EU MDR and/or US Food and Drug Administration (**"FDA"**) requirements or other changes in applicable regulatory requirements in these jurisdictions or in the Rest of World.

1.2 **Funding.** All validation testing shall be funded by the Manufacturer, including payment of fees of Third-Party service providers and/or of certification bodies or Regulators. Customer shall reimburse Manufacturer the costs of all such validation testing where:

1.2.1 validation testing of Manufacturing equipment and/or procedures is required for the sole purpose and necessity of obtaining Product registrations in Rest of World; or

1.2.2 validation testing of Manufacturing equipment and/or procedures is required for the sole purpose and necessity of modifying Product registrations in existence at the date of this Agreement where such modification is not required due to adverse safety data or any change in Applicable Laws.

2. QMS OR PRODUCT AUDITS OR REVIEWS, CERTIFICATION OR REGISTRATION RENEWALS, REMEDIAL ACTIONS TO AUDIT FINDINGS

2.1 Where this is required for obtaining and/or maintaining Product registrations in the US, the UK, the EU and Rest of World, Manufacturer shall establish and maintain appropriate quality management systems ("**QMSs**") and Product certification including undergoing periodic external audit by relevant certification bodies and shall perform remedial actions where necessary. This shall include:

2.1.1 Preparing for and undergoing regulatory QMS and Product audits, such as Notified Body, FDA and/or UK Approved Body QMS and/or Product certification audits or reviews;

2.1.2 Addressing any adverse findings emerging from such audits via remedial actions and undergoing re-audit where required; and

2.1.3 From time to time applying for renewal of Product certifications, registrations and/or re-audits on a timely basis.

2.2 Customer shall provide Manufacturer on a timely basis with all sales, post-market surveillance, clinical, and pre-clinical or other data concerning the Products, their instructions for use (**"IFU"**) and/or healthcare professional training, including for the avoidance of doubt any data or information concerning PMA P170023, which may be required to support any QMS or Product audits and/or to address adverse findings arising therefrom.

2.3 **Funding.** For all Product registrations existing as at the date of this Agreement, all QMS or Product audits or reviews, certification or registration renewals and/or remedial actions responding to adverse findings from these shall be funded by the Manufacturer, including payment of fees of Third Party service providers and/or of certification bodies or Regulators. For all Product registrations varied, modified and/or first obtained after the date of this Agreement, all QMS or Product audits or reviews, certification or registration renewals and/or remedial actions responding to adverse findings from these shall be funded by Customer, including payment of fees of Third Party service providers and/or of certification bodies or Regulators.

3. CHANGE OF NOTIFIED BODY, UK APPROVED BODY OR OTHER CERTIFICATION BODY

3.1 Manufacturer shall be entitled to change any Notified Body, UK Approved Body or other certification body at its own discretion and to select an appropriately qualified alternative body. In the event Manufacturer is required under Applicable Laws to appoint a new Notified Body, UK Approved Body or other certification body Manufacturer shall determine the choice of such new body at its sole discretion. In all cases Customer shall provide Manufacturer on a timely basis with all sales, post-market surveillance, clinical, pre-clinical or other data concerning the Products, including for the avoidance of doubt any data or information concerning PMA P170023, which may be required to support any change in or appointment of any such new body.

3.2 **Funding.** Customer shall fund all costs arising from the selection and appointment of any new Notified Body, UK Approved Body or other certification body including all costs incurred by Manufacturer in selecting and appointing such new body unless any change is solely due to Manufacturer's own volition in which case Manufacturer shall bear all such costs.

4. SUPPLIER DUE DILIGENCE AND AUDITS

4.1 Manufacturer shall perform appropriate supplier due diligence and qualification for suppliers of raw materials for Manufacturing the Products and for any Third Party suppliers of components and/or contract manufacturing organisations employed to Manufacture the Products.

4.2 Funding. Manufacturer shall fund supplier due diligence, qualification and fees for such Third Party suppliers.

5. CONTACT WITH COMPETENT AUTHORITIES

5.1 With the exception of all contact which under Applicable Laws is the responsibility of the Customer and/or its Affiliates as the holder of PMA P170023 Manufacturer shall conduct, or procure via appropriate Third Party service providers, all day-to-day liaison with relevant Regulators for purposes of obtaining and/or maintaining Product registrations in the US, UK, EU and Rest of World. This shall include the effecting and maintenance of all database registrations of the Products and of the Manufacturer where required by law or Regulators, e.g. Eudamed registrations though the parties acknowledge and agree that Customer shall enter and maintain

details of any importers or other economic operators which may be required for Product registrations.

5.2 Where Product registrations require specified human resource for manufacturers (e.g. Person Responsible for Regulatory Compliance in the EU) Manufacturer shall ensure that such human resource is available to the extent required.

5.3 Where Regulators request information or documentation regarding the conformity of the Products, the training materials employed for healthcare professional training, patient information and/or or marketing and/or access to Product samples Manufacturer shall respond to all such requests unless samples are requested from the field, in which case Customer shall procure Manufacturer access to such field samples for provision to Regulators. Customer shall provide Manufacturer on a timely basis with all relevant data or documentation including healthcare professional training, patient information and/or or marketing materials, sales, complaints, post-market surveillance or other data concerning the Products or with field samples which may be required to respond to Regulator inquiries or requests.

5.4 **Funding.** Except for tasks and activities performed by Customer in accordance with this Agreement to fulfil the responsibility under Applicable Laws of the holder of PMA P170023, all day-to-day liaison and human resource shall be funded by Manufacturer, including payment of fees of Third Party service providers and/or of Regulators where the sole purpose and necessity of this is to maintain the Product registrations existing as at the date of this Agreement. All other contact with relevant Regulators concerning the Product registrations in the US, UK, the EU and Rest of World shall be conducted by Manufacturer or its agents but funded by Customer, including payment of fees of Third Party service providers and/or of Regulators.

6. LABELLING, INCLUDING UDI

6.1 Manufacturer shall utilise and/or develop and approve all Product labelling, IFU and packaging based on Manufacturer's materials and versions currently in use for the Product registrations existing at the date of this Agreement. Manufacturer shall amend Product labelling, IFU and packaging as required in response to complaints from end-users, or in the event of adverse safety information, regulatory enforcement and/or changes in labelling requirements under Applicable Laws in order to maintain Product registrations. This shall include meeting all applicable requirements for UDI for labelling Products. Customer may, subject to necessary regulatory compliance and approval (including by Manufacturer), require Manufacturer to develop and/or approve alternative or modified Product labelling, instructions for use ("IFU") and/or packaging.

6.2 **Funding.** All labelling, IFU and packaging approval and UDI which is based on Manufacturer's materials and versions currently in use for the Product registrations existing at the date of this Agreement shall be funded by Manufacturer, including payment of fees of any Third Party providers or Regulators where the sole purpose and necessity of this is to maintain the Product registrations existing at the date of this Agreement. All incremental costs and/or wastage resulting from the development, approval and production of any alternative labelling, IFU or packaging for the Product registrations existing at the date of this Agreement or for any modified or new Product registrations shall be borne by Customer. Such incremental costs shall include approvals with relevant Notified Bodies, UK approved bodies and/or Regulators and the costs of any wasted labelling, IFU or packaging materials as well as payment of fees of Third Party service providers and/or of Regulators.

7. UK RESPONSIBLE PERSON

7.1 Manufacturer shall continue to designate Contura Limited, or such other UK party as is designated by Customer from time to time, as its UK Responsible Person for the Products via a UK Responsible Person agreement.

7.2 **Funding.** Each party shall meet its own costs of compliance with its respective obligations under the applicable UK Responsible Person agreement.

CUSTOMER

Customer shall perform such tasks as are necessary for regulatory compliance associated with obtaining and/or maintaining Product registrations in the US, UK, EU and Rest of World as set out below, including for the avoidance of doubt in its capacity as the holder of PMA P170023. Customer shall fully collaborate and cooperate with Manufacturer as set out below to ensure Manufacturer is enabled to achieve and/or maintain compliance as the manufacturer and/or Product registration holder.

8. CLINICAL TRIALS.

8.1 Customer shall design, conduct and be the regulatory sponsor of any and all clinical investigations or clinical trials, studies or other non-clinical Product testing (**"study"** or **"studies"**) where the purpose and necessity of the study is in order to obtain and/or maintain Product registrations (including modified or varied registrations) in the US, the UK the EU and Rest of World, including where the study is required to generate clinical, pre-clinical or non-clinical data to upgrade Product dossiers to meet UKCA mark and/or EU MDR requirements and/or US FDA requirements or other changes in applicable regulatory requirements in these jurisdictions or in the Rest of World. Customer shall promptly provide Manufacturer with access to the raw study data, all study adverse event reports and to all study reports for all studies made for purposes of sentence 1 of this clause 8.1, provided that such data may not be used for any other purposes than outlined in sentence 1 of this clause 8.1 and in order to fulfil Manufacturer's obligations as regards post-market surveillance and vigilance and its obligations to continually assess the benefit-risk profile of any of its products when used outside the Field.

8.2 **Funding.** Customer shall fund the design, conduct, sponsoring and reporting of all studies including payment of fees of Third Party service providers and/or of certification bodies and/or Regulators.

9. MARKETING MATERIALS.

9.1 Customer shall develop all Product marketing materials for Products for use in any of the US, the UK, the EU and Rest of World. Manufacturer shall have the right to receive all Product marketing materials to the extent required to ensure their compliance with regulatory requirements though Customer shall be responsible for such compliance as concerns all marketing materials for Products. Where necessary, Customer and Manufacturer shall work together to respond to complaints from end users or regulatory agencies and/or changes in legislation or regulatory guidance to ensure ongoing compliance of all Product marketing materials.

9.2 **Funding.** All development, re-development or amendment of Product marketing materials shall be at the sole cost of the Customer.

10. HCP EDUCATION AND TRAINING ON THE SAFE AND EFFECTIVE USE OF THE PRODUCTS

10.1 Customer shall design, approve and deliver (or shall procure the same of) all healthcare professional education materials and/or training programmes required in the US, the UK, the EU and Rest of World to facilitate safe and effective use of the Products. Manufacturer shall have the right to receive all healthcare professional education materials and/or training programmes to ensure their ongoing compliance with relevant regulatory requirements from time to time.

10.2 **Funding.** Customer shall fund the design and approval and delivery of all healthcare professional education and training materials and the delivery of all training, including payment of fees of any Third Party service providers, including any changes required by Manufacturer and/or any Regulator.

11. POST-MARKET SURVEILLANCE AND VIGILANCE REPORTING

11.1 Manufacturer and Customer shall enter into a Quality Agreement setting out, inter alia, their respective post-market surveillance and vigilance obligations. Pursuant to the terms of the Quality Agreement both Manufacturer and Customer shall establish, maintain and operate appropriate post-market surveillance and vigilance reporting systems and procedures in respect of all Products in the US, the UK, the EU and Rest of World. Where Product registrations require specified human resource for manufacturers, Manufacturer shall ensure that such human resource is available to the extent required under Applicable Laws.

11.2 **Funding.** Manufacturer shall bear its own internal costs of establishing, maintaining and operating its own post-market surveillance and vigilance reporting systems and procedures in compliance with Manufacturer's obligations in the Quality Agreement. All post-market surveillance and vigilance reporting systems and procedures and human resource required under Applicable Laws shall be funded by Customer, including payment of fees of Third Party service providers where the purpose and necessity of this is to obtain and/or maintain the Product registrations.

12. US PMA

12.1 Customer shall perform its respective activities under this Agreement as holder of the US PMA P170023 in accordance with the applicable provisions of the U.S. Federal Food, Drug, and Cosmetic Act and the implementing U.S. Food and Drug Administration ("**FDA**") regulations ("**FDA Laws**") including, without limitation, all provisions of the FDA Laws that are applicable to the holder of a Premarket Approval application approved pursuant to 21 U.S.C. § 360e, which may or may not be specifically identified in this Agreement. Without limiting the generality of the foregoing, Customer shall perform all obligations specifically identified in this Agreement in accordance with the applicable FDA Laws.

12.2 **Funding:** Save as otherwise delegated to the Manufacturer under this Agreement or the Quality Agreement, Customer shall bear its own costs of performing its respective activities as holder of US PMA P170023 in compliance with all applicable FDA regulations and FDA Laws.

13. RESPONDING TO ADVERSE SAFETY DATA AND PREVENTIVE AND CORRECTIVE ACTIONS

13.1 Manufacturer shall evaluate all adverse safety data in relation to the Products as identified by Manufacturer or reported to Manufacturer by Customer in the course of the parties' post-market surveillance and/or vigilance activity in accordance with the Quality Agreement. Manufacturer

shall determine the reportability (or not) to Regulators of any incident or corrective or preventive action and shall report as required to Regulators and, where the Customer is the holder of any local marketing authorizations and contact for Regulators, cooperate and coordinate with the Customer such reporting.

13.2 Customer shall provide Manufacturer on a timely basis with all post-market surveillance or other data concerning the Products, their IFU and/or healthcare professional training which may be required to support any post-market surveillance and/or vigilance activity and/or to address any inquiries or requirements of Regulators pursuant to the terms of the Quality Agreement. The parties accept and agree that Manufacturer shall be significantly reliant upon Customer in order to meet its obligations under Applicable Laws.

13.3 Manufacturer shall perform the necessary investigations and analysis (e.g. root cause analysis) in respect of any incident and shall direct Customer as to any investigation or inquiry in the field which may be desirable in order to evaluate any incident or to respond to questions from Regulators. Customer shall carry out all appropriate investigations in respect of any incident and promptly update Manufacturer with the results of such investigations.

13.4 Manufacturer shall be responsible for making any modifications to the design or Manufacture of, and/or IFU, labelling or packaging for, the Products that may be required to maintain conformity with applicable requirements in light of the results of the post-market surveillance and which is solely and necessarily for the maintenance of the Product registrations in the US, the UK, the EU and Rest of World. For the avoidance of doubt all such modifications shall only be performed by Manufacturer on the instruction of Customer or its PMA holder Affiliate in relation to Products to be supplied in the US. In the event Manufacturer determines that any incident is due to, and/or preventive or corrective action is required as a result of, any healthcare professional training, marketing activity or marketing materials utilised by Customer it shall inform Customer of its determination and Customer shall promptly cease, withdraw, recall and/or remediate the materials and/or activity in question.

13.5 Manufacturer shall determine what, if any, preventive or corrective actions may be required to eliminate, or if that is not possible, mitigate the risks posed by Products and the scope and timing of such actions and, where the Customer is the holder of any local marketing authorizations coordinate and cooperate with Customer in this respect. The Parties accept and agree that Manufacturer shall be significantly reliant upon Customer carrying out such preventive or corrective actions on behalf of Manufacturer, including monitoring the progress of these and communicating all relevant information promptly back to Manufacturer pursuant to the terms of the Quality Agreement. Customer shall accordingly promptly implement all such preventive or corrective actions which may be appropriate and shall monitor and record the progress of these and communicate all relevant information promptly back to Manufacturer.

13.6 **Funding.** Manufacturer shall bear the costs of its own investigations and determinations into root causes in relation to any incident, including the cost of any Third Party service providers as well as the cost of reporting to Regulators where relevant. Manufacturer shall also bear the cost of any corrective and preventive action (**"CAPA"**) where this relates to the design and/or Manufacture of the Products including the labelling, IFU and/or packaging for Product registrations (where the latter relate to the versions existing at the date of this Agreement). Customer shall bear the costs of its own investigations and of the implementation of any Product withdrawal, recall or other preventing or corrective action instituted. Customer shall also bear the cost of any CAPA resulting from any labelling, IFU and/or packaging for modified or new Product registrations.

14. PRODUCT WITHDRAWALS, RECALLS OR OTHER PREVENTIVE OR CORRECTIVE ACTIONS ORDERED, REQUESTED OR SUGGESTED BY COMPETENT AUTHORITIES

14.1 Manufacturer and Customer shall cooperate with each other and with Governmental Entities and/or Regulators in relation to Official Product Recall Notices issued by them and /or Product recalls or other preventive or corrective actions requested or suggested by them. Except where this is the responsibility of the holder of PMA P170023 under Applicable Laws Manufacturer shall have final approval for the implementation of these. Customer shall promptly carry out all such cooperative actions in the field on behalf of Manufacturer and shall monitor and record the progress of these and communicate all relevant information promptly back to Manufacturer. The parties accept and agree that Manufacturer shall be significantly reliant upon Customer in order to meet its obligations under Applicable Laws.

14.2 **Funding.** Manufacturer and Customer shall each be responsible for their own costs of fulfilling their obligations under the Quality Agreement which arise in connection with Official Product Recall Notices issued by Governmental Entities and/or Regulators and/or Product withdrawals, recalls or other preventive or corrective actions requested or suggested by them.

15. ENFORCEMENT ACTION BY COMPETENT AUTHORITIES OR EU NOTIFIED BODY, UK APPROVED BODY OR OTHER CERTIFICATION BODY

15.1 Manufacturer shall respond to any inquiry, investigation, prosecution or administrative or other enforcement action initiated or threatened by any Governmental Entity, Regulator or Notified Body, UK Approved Body or other certification body into (i) Manufacturer or (ii) the compliance of the Products irrespective of whether this is directed at Manufacturer or at the Products themselves (**“Enforcement against Manufacturer”**). Manufacturer shall promptly inform Customer of any such Enforcement or threat in writing.

15.2 Manufacturer shall perform the necessary investigations and analysis in respect of any Enforcement against Manufacturer by Regulators and shall direct Customer as to any investigation or inquiry in the field which may be desirable in Manufacturer’s view in order to establish the facts underlying any actual or threatened Enforcement against Manufacturer and/or to respond to questions from Regulators or to prepare for interviews or the submission of any defence and/or evidence in any proceedings or other process comprised in the Enforcement against Manufacturer. Customer shall promptly carry out all appropriate and requested investigations into the circumstances underlying any Enforcement against Manufacturer including into any healthcare professional training, marketing activity in the field and/or the conformity, performance and/or safety of the Products in the field on behalf of Manufacturer. Customer shall communicate all relevant information promptly to Manufacturer. The parties accept and agree that Manufacturer shall be reliant upon Customer in order to respond to any Enforcement against Manufacturer.

15.3 Customer shall respond to any inquiry, investigation, prosecution or administrative or other enforcement action initiated or threatened by any Governmental Entity, Regulators or EU notified body, UK Approved Body or other certification body into (i) Customer; (ii) the compliance of the Products with PMA P170023; or (iii) Customer’s marketing and/or healthcare professional training in relation to the Products irrespective of whether this is directed at Customer or at the Products themselves (**“Enforcement against Customer”**). Customer shall promptly inform Manufacturer of any such Enforcement against Customer or threat in writing.

15.4 **Funding by Manufacturer.** Manufacturer shall bear the costs of defending any Enforcement against Manufacturer, which shall include all internal, legal and expert costs, arising from any breaches by Manufacturer of, or non-conformities of the Products with, Applicable Laws unless and to the extent Manufacturer's alleged breach or any alleged non-conformity of the Products giving rise to the Enforcement against Manufacturer is due directly or indirectly to the act or default of Customer or its agents or representatives or to reliance on information given to Manufacturer by Customer, its agents or representatives, in which case Customer shall bear such costs.

15.5 **Funding by Customer.** Customer shall bear the costs of defending any Enforcement against Customer, which shall include all internal, legal and expert costs, arising from any breaches by Customer of, or non-conformities of the Products with, Applicable Laws unless and to the extent Customer's alleged breach or any alleged non-conformity of the Products giving rise to the Enforcement against Customer is due directly or indirectly to the act or default of Manufacturer or its agents or representatives or to reliance on information given to Customer by Manufacturer, its agents or representatives, in which case Manufacturer shall bear such costs.

16. RETENTION OF DOCUMENTS

16.1 Customer shall keep available for Regulators in the US, the UK, the EU and Rest of World copies of all regulatory documentation required to be kept available for the requisite time period after the last Product has been placed on the market. Customer shall notify Manufacturer of the last date of placing on the market any Product in any of the US, the UK, the EU and Rest of World.

16.2 **Funding.** All document retention shall be funded by Customer, including payment of fees of Third Party service providers where the purpose and necessity of this is to comply with the requirements of Product registrations.

17. HEALTH TECHNOLOGY APPRAISAL / REIMBURSEMENT

17.1 Customer shall generate and provide all information, data and documentation concerning the cost-effectiveness, safety, performance and/or clinical effectiveness of the Products to support Health Technology Appraisal (**"HTA"**) / reimbursement applications made, and/or participation, by Customer in relation to any Product registration in the US, the UK, the EU or Rest of World, e.g. NICE clinical guideline development or updates.

17.2 **Funding.** All HTA/reimbursement applications made shall be at the sole cost of Customer.

LOAN AND SECURITY AGREEMENT

This **LOAN AND SECURITY AGREEMENT** (this "**Agreement**") dated as of February 25, 2021 (the "**Effective Date**") by and among (a) **SILICON VALLEY BANK**, a California corporation ("**SVB**"), in its capacity as administrative agent and collateral agent ("**Agent**"), (b) SVB, as a lender, (c) **SVB INNOVATION CREDIT FUND VIII, L.P.**, a Delaware limited partnership ("**SVB Capital**"), as a lender (SVB and SVB Capital and each of the other "Lenders" from time to time a party hereto are referred to herein collectively as the "**Lenders**" and each individually as a "**Lender**"), and (d) **AXONICS MODULATION TECHNOLOGIES, INC.**, a Delaware corporation ("**Borrower**"), provides the terms on which Agent and the Lenders shall lend to Borrower and Borrower shall repay Agent and the Lenders. The parties agree as follows:

1 ACCOUNTING AND OTHER TERMS

Accounting terms not defined in this Agreement shall be construed following GAAP. Calculations and determinations must be made following GAAP. Capitalized terms not otherwise defined in this Agreement shall have the meanings set forth in Section 14 of this Agreement. All other terms contained in this Agreement, unless otherwise indicated, shall have the meaning provided by the Code to the extent such terms are defined therein.

2 LOAN AND TERMS OF PAYMENT

2.1 Promise to Pay. Borrower hereby unconditionally promises to pay to Agent, for the ratable benefit of each Lender, the outstanding principal amount of all Credit Extensions advanced to Borrower by such Lender and accrued and unpaid interest thereon, together with any fees as and when due in accordance with this Agreement.

2.1.1 Term Loan Advance

(a) Availability. Subject to the terms and conditions of this Agreement, on the Effective Date, or as soon thereafter as all conditions precedent to the making thereof have been met, the Lenders, severally and not jointly, shall make one (1) term loan advance to Borrower in an original principal amount equal to Seventy-Five Million Dollars ($75,000,000) according to each Lender's Term Loan Advance Commitment as set forth on Schedule 1.1 hereto (the "**Term Loan Advance**"). After repayment, the Term Loan Advance (or any portion thereof) may not be reborrowed.

(b) Interest Payments. Commencing on the first (1st) Payment Date of the month following the month in which the Funding Date of the Term Loan Advance occurs, and continuing on the Payment Date of each month thereafter, Borrower shall make monthly payments of interest to Agent, for the account of the Lenders, in arrears, on the principal amount of the Term Loan Advance, at the rate set forth in Section 2.2(a).

(c) Repayment of Principal. Commencing on September 1, 2022, and continuing on each Payment Date thereafter, Borrower shall repay the aggregate outstanding Term Loan Advance to Agent, for the account of the Lenders, in (i) eighteen (18) consecutive equal monthly installments of principal, plus (ii) monthly payments of accrued interest at the rate set forth in Section 2.2(a). All outstanding principal and accrued and unpaid interest with respect to the Term Loan Advance, the Final Payment, and all other outstanding Obligations under the Term Loan Advance, are due and payable in full on the Term Loan Maturity Date.

(d) Permitted Prepayment. Borrower shall have the option to prepay all, but not less than all, of the Term Loan Advance advanced by the Lenders under this Agreement, provided Borrower (i) provides written notice to Agent of its election to prepay the Term Loan Advance at least five (5) days prior to such prepayment, and (ii) pays to Agent, for the account of the Lenders in accordance with its respective Pro Rata Share, on the date of such prepayment (A) all outstanding principal plus accrued and unpaid interest, (B) the Prepayment Premium, (C) the Final Payment and (D) all other sums, if any, that shall have become due and payable, including Lenders' Expenses and interest at the Default Rate with respect to any past due amounts.

(e) Mandatory Prepayment Upon an Acceleration. If the Term Loan Advance is accelerated by Agent, following the occurrence and during the continuance of an Event of Default, Borrower shall immediately pay to Agent, for the account of the Lenders in accordance with its respective Pro Rata Share, an amount equal to the sum of (i) all outstanding principal plus accrued and unpaid interest with respect to the Term Loan Advance, (ii) the Prepayment Premium, (iii) the Final Payment and (iv) all other sums, if any, that shall have become due and payable, including Lenders' Expenses and interest at the Default Rate with respect to any past due amounts.

2.2 Payment of Interest on the Credit Extensions.

(a) Interest Rate. Subject to Section 2.2(b), the principal amount outstanding under the Term Loan Advance shall accrue interest at a floating per annum rate equal to *the greater of* (A) nine percentage points (9.00%) and (B) five and three quarters percentage points (5.75%) above the Prime Rate, which interest, in each case, shall be payable monthly in accordance with Section 2.2(d) below.

(b) Default Rate. At Agent's option, upon the occurrence and during the continuance of an Event of Default, Obligations shall bear interest at a rate per annum which is five percentage points (5.00%) above the rate that is otherwise applicable thereto (the "**Default Rate**"). Fees and expenses which are required to be paid by Borrower pursuant to the Loan Documents (including, without limitation, Lenders' Expenses) but are not paid when due shall bear interest until paid at a rate equal to the highest rate applicable to the Obligations (but no higher than the Default Rate). Payment or acceptance of the increased interest rate provided in this Section 2.2(b) is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of Agent or any Lender.

(c) Adjustment to Interest Rate. Changes to the interest rate of any Credit Extension based on changes to the Prime Rate shall be effective on the effective date of any change to the Prime Rate and to the extent of any such change.

(d) Payment; Interest Computation. Interest is payable monthly on the Payment Date and shall be computed on the basis of a three-hundred-sixty (360) day year for the actual number of days elapsed. In computing interest, (i) all payments received after 12:00 p.m. Eastern time on any day shall be deemed received at the opening of business on the next Business Day, and (ii) the date of the making of any Credit Extension shall be included and the date of payment shall be excluded; provided, however, that if any Credit Extension is repaid on the same day on which it is made, such day shall be included in computing interest on such Credit Extension.

2.3 Fees. Borrower shall pay to Agent:

(a) Final Payment. The Final Payment, when due hereunder, to be shared between the Lenders pursuant to their respective Term Loan Commitment Percentages;

(b) Prepayment Premium. The Prepayment Premium, if and when due hereunder, to be shared between the Lenders pursuant to their respective Term Loan Commitment Percentages; and

(c) Lenders' Expenses. All Lenders' Expenses (including reasonable attorneys' fees and expenses for documentation and negotiation of this Agreement) incurred through and after the Effective Date, when due (or, if no stated due date, upon demand by Agent).

Unless otherwise provided in this Agreement or in a separate writing by Agent, Borrower shall not be entitled to any credit, rebate, or repayment of any fees earned by Agent or any Lender pursuant to this Agreement notwithstanding any termination of this Agreement or the suspension or termination of any Lender's obligation to make loans and advances hereunder. Agent may deduct amounts owing by Borrower under the clauses of this Section 2.3 pursuant to the terms of Section 2.4(e). Agent shall provide Borrower written notice of deductions made from the Designated Deposit Account pursuant to the terms of the clauses of this Section 2.3.

2.4 Payments; Pro Rata Treatment; Application of Payments; Debit of Accounts.

(a) All payments (including prepayments) to be made by Borrower under any Loan Document shall be made to Agent for the account of Lenders, in immediately available funds in Dollars, without setoff or counterclaim, before 12:00 p.m. Eastern time on the date when due. Agent shall distribute such payments to Lenders in like funds as set forth in Section 2.5. Payments of principal and/or interest received after 12:00 p.m. Eastern time are considered received at the opening of business on the next Business Day. When a payment is due on a day that is not a Business Day, the payment shall be due the next Business Day, and additional fees or interest, as applicable, shall continue to accrue until paid.

(b) Each borrowing by Borrower from Lenders hereunder shall be made according to the respective Term Loan Commitment Percentages of the relevant Lenders.

(c) Except as otherwise provided herein, each payment (including each prepayment) by Borrower on account of principal or interest on the Term Loan Advance shall be applied according to each Lender's Pro Rata Share of the outstanding principal amount of the Term Loan Advance. The amount of each principal prepayment of the Term Loan Advance shall be applied to reduce the then remaining installments of the Term Loan Advance based upon each Pro Rata Share of Term Loan Advance.

(d) Subject to Section 9.4 of this Agreement, Agent has the right to determine in its good faith business judgment (with consideration of Borrower's requests) the order and manner in which all payments with respect to the Obligations may be applied. Borrower shall have no right to specify the order or the accounts to which Agent shall allocate or apply any payments required to be made by Borrower to Agent or otherwise received by Agent or any Lender under this Agreement when any such allocation or application is not specified elsewhere in this Agreement.

(e) Agent may debit any of Borrower's deposit accounts, including the Designated Deposit Account, for principal and interest payments or any other amounts Borrower owes Agent or any Lender when due. These debits shall not constitute a set-off.

(f) Unless Agent shall have been notified in writing by Borrower prior to the date of any payment due to be made by Borrower hereunder that Borrower will not make such payment to Agent, Agent may assume that Borrower is making such payment, and Agent may, but shall not be required to, in reliance upon such assumption, make available to Lenders their respective Pro Rata Share of a corresponding payment amount. If such payment is not made to Agent by Borrower within three (3) Business Days after such due date, Agent shall be entitled to recover, on demand, from each Lender to which any amount which was made available pursuant to the preceding sentence, such amount with interest thereon at the rate per annum equal to the daily average Federal Funds Effective Rate. Nothing herein shall be deemed to limit the rights of Agent or any Lender against Borrower.

2.5 Settlement Procedures. If Agent receives any payment for the account of Lenders on or prior to 12:00 p.m. (Eastern time) on any Business Day, Agent shall pay to each applicable Lender such Lender's Pro Rata Share of such payment on such Business Day. If Agent receives any payment for the account of Lenders after 12:00 p.m. (Eastern time) on any Business Day, Agent shall pay to each applicable Lender such Lender's Pro Rata Share of such payment on the next Business Day.

2.6 Withholding by Borrower. Payments received by Agent from Borrower under this Agreement will be made free and clear of and without deduction for any and all present or future taxes, levies, imposts, duties, deductions, withholdings, assessments, fees or other charges imposed by any Governmental Authority (including any interest, additions to tax or penalties applicable thereto). Specifically, however, if at any time any Governmental Authority, applicable law, regulation or international agreement requires Borrower to make any withholding or deduction from any such payment or other sum payable hereunder to Agent, Borrower hereby covenants and agrees that the amount due from Borrower with respect to such payment or other sum payable hereunder will be increased to the extent necessary to ensure that, after the making of such required withholding or deduction, Agent receives a net sum equal to the sum which it would have received had no withholding or deduction been required, and Borrower shall pay the full amount withheld or deducted to the relevant Governmental Authority. Borrower will, upon request, furnish Agent with proof reasonably satisfactory to Agent indicating that Borrower has

made such withholding payment; provided, however, that Borrower need not make any withholding payment if the amount or validity of such withholding payment is contested in good faith by appropriate and timely proceedings and as to which payment in full is bonded or reserved against by Borrower. The agreements and obligations of Borrower contained in this Section 2.6 shall survive the termination of this Agreement.

3 CONDITIONS OF LOANS

3.1 Conditions Precedent to Initial Credit Extension. Each Lender's obligation to make the initial Credit Extension hereunder is subject to the condition precedent that Agent shall have received, in form and substance satisfactory to Agent and the Lenders, such documents, and completion of such other matters, as Agent may reasonably deem necessary or appropriate, including, without limitation:

(a) duly executed signatures to the Loan Documents;

(b) the Operating Documents and long-form good standing certificates of Borrower certified by the Secretary of State (or equivalent agency) of Borrower's jurisdiction of organization or formation and each jurisdiction in which Borrower is qualified to conduct business and has a material presence or conducts a material portion of its business, each as of a date no earlier than thirty (30) days prior to the Effective Date;

(c) a secretary's certificate of Borrower with respect to such Borrower's Operating Documents, incumbency, specimen signatures and resolutions authorizing the execution and delivery of this Agreement and the other Loan Documents to which it is a party;

(d) duly executed signatures to the completed Borrowing Resolutions for Borrower;

(e) certified copies, dated as of a recent date, of Lien searches (including without limitation, UCC searches), as Agent may request, accompanied by written evidence (including any UCC termination statements and other Lien releases) that the Liens indicated in any such financing statements or other filings either constitute Permitted Liens or have been or, in connection with the initial Credit Extension hereunder, will be terminated or released;

(f) a final execution version of the Contura Sale and Purchase Agreement and any other documents entered into by Borrower or Axonics UK in connection therewith;

(g) the Perfection Certificate of Borrower, together with the duly executed signatures thereto;

(h) a legal opinion (authority and enforceability) of Borrower's counsel dated as of the Effective Date, together with the duly executed signature thereto; and

(i) payment of the fees and Lenders' Expenses then due as specified in Section 2.3 hereof.

3.2 Conditions Precedent to all Credit Extensions. Each Lender's obligation to make each Credit Extension, including the initial Credit Extension, is subject to the following conditions precedent:

(a) timely receipt by the Lenders of (i) an executed Disbursement Letter and (ii) an executed Payment/Advance Form;

(b) the representations and warranties in this Agreement shall be true, accurate, and complete in all material respects on the date of the Disbursement Letter (and the Payment/Advance Form) and on the Funding Date of each Credit Extension; provided, however, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects as of such date, and no Event of Default shall have occurred and be continuing or result from the Credit Extension. Each Credit Extension is Borrower's representation and warranty on that date that

the representations and warranties in this Agreement remain true, accurate, and complete in all material respects; provided, however, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects as of such date; and

(c) Agent and each Lender determine to its satisfaction that there has not been any material impairment in the general affairs, management, results of operation, financial condition or the prospect of repayment of the Obligations, nor any material adverse deviation by Borrower from the most recent business plan of Borrower presented to and accepted by Agent and the Lenders.

3.3 Covenant to Deliver. Except as set forth in Section 6.13, Borrower agrees to deliver to Agent and each Lender each item required to be delivered to Agent and each Lender under this Agreement as a condition precedent to any Credit Extension. Borrower expressly agrees that a Credit Extension made prior to the receipt by Agent and each Lender of any such item shall not constitute a waiver by Agent or Lenders of Borrower's obligation to deliver such item, and the making of any Credit Extension in the absence of a required item shall be in each Lender's sole discretion.

3.4 Procedures for Borrowing.

(a) Term Loan Advance. Subject to the prior satisfaction of all other applicable conditions to the making of a Credit Extension set forth in this Agreement, to obtain a Credit Extension, Borrower shall notify Agent (which notice shall be irrevocable) by electronic mail, facsimile, or telephone by 12:00 p.m. Eastern time at least three (3) Business Days before the proposed Funding Date of such Credit Extension. Together with any such electronic or facsimile notification, Borrower shall deliver to Agent by electronic mail or facsimile a completed Disbursement Letter (and Payment/Advance Form) executed by an Authorized Signer. Agent may rely on any telephone notice given by a person whom Agent believes is an Authorized Signer. On the Funding Date, Agent shall credit the Credit Extensions to the Designated Deposit Account. Agent may make Credit Extensions under this Agreement based on instructions from an Authorized Signer or without instructions if the Credit Extensions are necessary to meet Obligations which have become due.

(b) Funding. In determining compliance with any condition hereunder to the making of a Credit Extension that, by its terms, must be fulfilled to the satisfaction of a Lender, Agent may presume that such condition is satisfactory to such Lender unless Agent shall have received notice to the contrary from such Lender prior to the making of such Credit Extension. Unless Agent shall have been notified in writing by any Lender prior to the date of any Credit Extension, that such Lender will not make the amount that would constitute its share of such borrowing available to Agent, Agent may assume that such Lender is making such amount available to Agent, and Agent may, in reliance upon such assumption, make available to Borrower a corresponding amount. If such amount is not made available to Agent by the required time on the Funding Date therefor, such Lender shall pay to Agent, on demand, such amount with interest thereon, at a rate equal to the greater of (i) the Federal Funds Effective Rate or (ii) a rate determined by Agent in accordance with banking industry rules on interbank compensation, for the period until such Lender makes such amount immediately available to Agent. If such Lender's share of such Credit Extension is not made available to Agent by such Lender within three (3) Business Days after such Funding Date, Agent shall also be entitled to recover such amount with interest thereon at the rate per annum applicable to the Term Loan Advance, on demand, from Borrower.

4 CREATION OF SECURITY INTEREST

4.1 Grant of Security Interest. Borrower hereby grants Agent, for the ratable benefit of the Lenders, to secure the payment and performance in full of all of the Obligations, a continuing security interest in, and pledges to Agent, for the ratable benefit of the Lenders, the Collateral, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof. For clarity, any reference to "Agent's Lien" or any granting of collateral to Agent in this Agreement or any Loan Document means the Lien granted to Agent for the ratable benefit of the Lenders.

Borrower acknowledges that it previously has entered, and/or may in the future enter, into Bank Services Agreements with SVB. Regardless of the terms of any Bank Services Agreement, Borrower agrees that any amounts Borrower owes SVB thereunder shall be deemed to be Obligations hereunder and that it is the intent of Borrower and SVB to have all such Obligations secured by the first priority perfected security interest in the Collateral granted herein (subject only to Permitted Liens that are permitted pursuant to the terms of this Agreement to have superior priority to Agent's Lien in this Agreement), and by any and all other security agreements, mortgages or other collateral granted to Agent by Borrower as security for the Obligations, now or in the future.

If this Agreement is terminated, Agent's Lien in the Collateral shall continue until the Obligations (other than inchoate indemnity obligations) are repaid in full in cash. Upon payment in full in cash of the Obligations (other than inchoate indemnity obligations) and at such time as the Lenders' obligation to make Credit Extensions has terminated, Agent shall, at the sole cost and expense of Borrower, release its Liens in the Collateral and all rights therein shall revert to Borrower. In the event (x) all Obligations (other than inchoate indemnity obligations), except for Bank Services, are satisfied in full, and (y) this Agreement is terminated, Agent shall terminate the security interest granted herein upon Borrower providing to SVB cash collateral acceptable to SVB in its good faith business judgment for Bank Services, if any. In the event such Bank Services consist of outstanding Letters of Credit, Borrower shall provide to SVB cash collateral in an amount equal to (x) if such Letters of Credit are denominated in Dollars, then at least one hundred five percent (105.0%); and (y) if such Letters of Credit are denominated in a Foreign Currency, then at least one hundred ten percent (110.0%), of the Dollar Equivalent of the face amount of all such Letters of Credit plus, in each case, all interest, fees, and costs due or to become due in connection therewith (as estimated by SVB in its business judgment), to secure all of the Obligations relating to such Letters of Credit.

4.2 Priority of Security Interest. Borrower represents, warrants, and covenants that the security interests granted herein are and shall at all times continue to be a first priority perfected security interests in the Collateral (subject only to Permitted Liens). If Borrower shall acquire a commercial tort claim, Borrower shall promptly notify Agent in a writing signed by Borrower of the general details thereof and grant to Agent, for the ratable benefit of the Lenders, in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance reasonably satisfactory to Agent.

4.3 Authorization to File Financing Statements. Borrower hereby authorizes Agent, on behalf of the Lenders, to file financing statements and other similar forms, without notice to Borrower, with all appropriate jurisdictions to perfect or protect Agent's and Lenders' interest or rights hereunder, including a notice that any disposition of the Collateral, by Borrower or any other Person, shall be deemed to violate the rights of Agent under the Code. Such financing statements and other similar forms may indicate the Collateral as "all assets of the Debtor" or words of similar effect, or as being of an equal or lesser scope, or with greater detail, all in Agent's discretion.

5 REPRESENTATIONS AND WARRANTIES

Borrower represents and warrants as follows:

5.1 Due Organization, Authorization; Power and Authority. Borrower is duly organized, validly existing and in good standing as a Registered Organization in its jurisdiction of formation and is qualified and licensed to do business and is in good standing in any other jurisdiction in which the conduct of its business or its ownership of property and other assets or business which it is engaged in requires that it be qualified except where the failure to do so could not reasonably be expected to have a material adverse effect on Borrower's business. In connection with this Agreement, Borrower has delivered to Agent and each Lender a completed certificate signed by Borrower, entitled "**Perfection Certificate**" (collectively, the "**Perfection Certificate**"). Borrower represents and warrants to Agent and each Lender that: (a) Borrower's exact legal name is that indicated on the Perfection Certificate and on the signature page hereof; (b) Borrower is an organization of the type and is organized or is incorporated in the jurisdiction set forth in the Perfection Certificate; (c) the Perfection Certificate accurately sets forth Borrower's organizational identification number or accurately states that Borrower has none; (d) the Perfection Certificate accurately sets forth Borrower's place of business, or, if more than one, its chief executive office as well as Borrower's mailing address (if different than its chief executive office); (e) except as indicated on the Perfection Certificate, Borrower (and each of its predecessors) has not, in the past five (5) years, changed its jurisdiction of formation, organizational structure or type, or any organizational number assigned by its jurisdiction; and (f) all

other information set forth on the Perfection Certificate pertaining to Borrower and each of its Subsidiaries is accurate and complete (it being understood and agreed that Borrower may from time to time update certain information in the Perfection Certificate after the Effective Date to the extent permitted by one or more specific provisions in this Agreement).

The execution, delivery and performance by Borrower of the Loan Documents to which it is a party have been duly authorized, and do not (i) conflict with any of Borrower's Operating Documents, (ii) contravene, conflict with, constitute a default under or violate any material Requirement of Law, (iii) contravene, conflict or violate any applicable order, writ, judgment, injunction, decree, determination or award of any Governmental Authority by which Borrower or any of its Subsidiaries or any of their property or assets may be bound or affected, (iv) require any action by, filing, registration, or qualification with, or Governmental Approval from, any Governmental Authority (except such Governmental Approvals which have already been obtained and are in full force and effect), filings and registrations contemplated by this Agreement, or (v) conflict with, contravene, constitute a default or breach under, or result in or permit the termination or acceleration of, any material agreement by which Borrower is bound. Borrower is not in default under any agreement to which it is a party or by which it is bound in which the default could reasonably be expected to have a material adverse effect on Borrower's business.

5.2 Collateral. Borrower has good title to, rights in, and the power to transfer each item of the Collateral upon which it purports to grant a Lien under this Agreement and other Loan Documents, free and clear of any and all Liens except Permitted Liens. Borrower has no Collateral Accounts at or with any bank or financial institution other than SVB or SVB's Affiliates except for the Collateral Accounts described in the Perfection Certificate delivered to Agent and each Lender in connection herewith and which Borrower has given Agent notice and taken such actions as are necessary to give Agent, for the ratable benefit of the Lenders, a perfected security interest therein, pursuant to the terms of Section 6.6(c). The Accounts are bona fide, existing obligations of the Account Debtors.

The Collateral is not in the possession of any third party bailee (such as a warehouse) except as otherwise provided in the Perfection Certificate. None of the components of the Collateral shall be maintained at locations other than as provided in the Perfection Certificate or as permitted pursuant to Section 7.2.

All Inventory is in all material respects of good and marketable quality, free from material defects.

Except as set forth in the Perfection Certificate, Borrower is the sole owner of the Intellectual Property which it owns or purports to own except for (a) non-exclusive licenses granted to its customers in the ordinary course of business, (b) over-the-counter software that is commercially available to the public, and (c) material Intellectual Property licensed to Borrower and noted on the Perfection Certificate. Each Patent which it owns or purports to own and which is material to Borrower's business is valid and enforceable, and no part of the Intellectual Property which Borrower owns or purports to own and which is material to Borrower's business has been judged invalid or unenforceable, in whole or in part. To the best of Borrower's knowledge, no claim has been made that any part of the Intellectual Property violates the rights of any third party except to the extent such claim would not reasonably be expected to have a material adverse effect on Borrower's business. Except as noted on the Perfection Certificate, Borrower is not a party to, nor is it bound by, any Restricted License.

5.3 Litigation. Except as set forth in the Perfection Certificate delivered by Borrower to Agent on or prior to the Effective Date, there are no actions or proceedings pending or, to the knowledge of Borrower, threatened in writing by or against Borrower or any of its Subsidiaries reasonably expected to result in liability or costs to Borrower in excess of One Million Dollars ($1,000,000) individually or in the aggregate.

5.4 Financial Statements; Financial Condition. All consolidated financial statements for Borrower and any of its Subsidiaries delivered to Agent and the Lenders by submission to the Financial Statement Repository or otherwise submitted to Agent and the Lenders fairly present in all material respects Borrower's consolidated financial condition and Borrower's consolidated results of operations. There has not been any material deterioration in Borrower's consolidated financial condition since the date of the most recent financial statements submitted to Agent and the Lenders the Financial Statement Repository or otherwise submitted to Agent and the Lenders.

5.5 Solvency. The fair salable value of Borrower's consolidated assets (including goodwill minus disposition costs) exceeds the fair value of Borrower's liabilities; Borrower is not left with unreasonably small capital after the transactions in this Agreement; and Borrower is able to pay its debts (including trade debts) as they mature.

5.6 Regulatory Compliance. Borrower is not an "investment company" or a company "controlled" by an "investment company" under the Investment Company Act of 1940, as amended. Borrower is not engaged as one of its important activities in extending credit for margin stock (under Regulations X, T and U of the Federal Reserve Board of Governors). Borrower (a) has complied in all material respects with all Requirements of Law, and (b) has not violated any Requirements of Law the violation of which could reasonably be expected to have a material adverse effect on its business. None of Borrower's or any of its Subsidiaries' properties or assets has been used by Borrower or any Subsidiary or, to the best of Borrower's knowledge, by previous Persons, in disposing, producing, storing, treating, or transporting any hazardous substance other than legally. Borrower and each of its Subsidiaries have obtained all consents, approvals and authorizations of, made all declarations or filings with, and given all notices to, all Governmental Authorities that are necessary to continue their respective businesses as currently conducted.

5.7 Subsidiaries; Investments. Borrower does not own any stock, partnership, or other ownership interest or other equity securities except for Permitted Investments.

5.8 Tax Returns and Payments; Pension Contributions. Borrower has timely filed all required tax returns and reports, and Borrower has timely paid all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower except (a) to the extent such taxes are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted, so long as such reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made therefor, or (b) if such taxes, assessments, deposits and contributions do not, individually or in the aggregate, exceed Two Hundred Fifty Thousand Dollars ($250,000).

To the extent Borrower defers payment of any contested taxes, Borrower shall (i) notify Agent in writing of the commencement of, and any material development in, the proceedings and (ii) post bonds or take any other steps required to prevent the Governmental Authority levying such contested taxes from obtaining a Lien upon any of the Collateral that is other than a "Permitted Lien." Borrower is unaware of any claims or adjustments proposed for any of Borrower's prior tax years which could result in additional taxes becoming due and payable by Borrower in excess of Fifty Thousand Dollars ($50,000). Borrower has paid all amounts necessary to fund all present pension, profit sharing and deferred compensation plans in accordance with their terms, and Borrower has not withdrawn from participation in, and has not permitted partial or complete termination of, or permitted the occurrence of any other event with respect to, any such plan which could reasonably be expected to result in any liability of Borrower, including any liability to the Pension Benefit Guaranty Corporation or its successors or any other governmental agency.

5.9 Use of Proceeds. Borrower shall use the proceeds of the Credit Extensions as working capital and to fund its general business requirements and not for personal, family, household or agricultural purposes.

5.10 Full Disclosure. To the best of Borrower's knowledge, no written representation, warranty or other statement of Borrower in any report, certificate, or written statement submitted to the Financial Statement Repository or otherwise submitted to Agent or any Lender in connection with the Loan Documents, or the transactions contemplated thereby, as of the date such representation, warranty, or other statement was made, taken together with all such written reports, written certificates and written statements submitted to the Financial Statement Repository or otherwise submitted to Agent or any Lender, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained in the reports, certificates, or written statements not misleading (it being recognized by Agent and each Lender that the projections and forecasts provided by Borrower in good faith and based upon reasonable assumptions are not viewed as facts and that actual results during the period or periods covered by such projections and forecasts may differ from the projected or forecasted results).

5.11 Definition of "Knowledge." For purposes of the Loan Documents, whenever a representation or warranty is made to Borrower's knowledge or awareness, to the "best of" Borrower's knowledge, or with a similar qualification, knowledge or awareness means the actual knowledge, after reasonable investigation, of any Responsible Officer.

6 AFFIRMATIVE COVENANTS

Borrower shall do all of the following:

6.1 Government Compliance.

(a) Maintain its and all its Subsidiaries' legal existence and good standing in their respective jurisdictions of formation and maintain qualification in each jurisdiction in which the failure to so qualify would reasonably be expected to have a material adverse effect on Borrower's business or operations. Borrower shall comply, and have each Subsidiary comply, in all material respects, with all laws, ordinances and regulations to which it is subject.

(b) Obtain all of the Governmental Approvals necessary for the performance by Borrower of its obligations under the Loan Documents to which it is a party and the grant of a security interest to Agent, for the ratable benefit of the Lenders, in all of its property. Borrower shall promptly provide copies of any such obtained Governmental Approvals to Agent.

6.2 Financial Statements, Reports. Provide Agent and each Lender with the following by submitting to the Financial Statement Repository or otherwise submitting to Agent and each Lender:

(a) Quarterly Financial Statements. As soon as available, but no later than forty-five (45) days after the last day of each calendar quarter, a company prepared consolidated and consolidating balance sheet, cash flow statement, and income statement covering Borrower's and each of its Subsidiary's operations for such calendar quarter in a form consistent with Borrower's public filings (the "**Quarterly Financial Statements**"); provided, however, notwithstanding the foregoing, the Quarterly Financial Statements for the fourth (4th) calendar quarter of each year, shall be due no later than ninety (90) days after the last day of such calendar quarter;

(b) Quarterly Compliance Statement. Within forty-five (45) days after the last day of each calendar quarter and together with the Quarterly Financial Statements, a completed Compliance Statement confirming that as of the end of such calendar quarter, Borrower was in full compliance with all of the terms and conditions of this Agreement, and setting forth calculations showing compliance with the financial covenant(s) (if any) set forth in this Agreement and such other information as Agent or the Lenders may reasonably request;

(c) Annual Operating Budget and Financial Projections. Within thirty (30) days after the last day of each fiscal year of Borrower, and within seven (7) days of any updates or amendments thereto, (i) annual operating budgets (including income statements, balance sheets and cash flow statements, by month) for the then-current fiscal year of Borrower, and (ii) annual financial projections for the then-current fiscal year (on a quarterly basis) as approved by the Board, together with any related business forecasts used in the preparation of such annual financial projections;

(d) Annual Audited Financial Statements. As soon as available, and in any event within one hundred eighty (180) days after the last day of Borrower's fiscal year, audited consolidated financial statements prepared under GAAP, consistently applied, together with an unqualified opinion on the financial statements from an independent certified public accounting firm;

(e) Other Statements. Within five (5) days of delivery, copies of all statements and reports made available to Borrower's security holders or to any holders of Subordinated Debt;

(f) Monthly Asset Management Account Statements. Within thirty (30) days after the last day of each month, copies of, or real-time access to, Borrower's asset management account statements for each of Borrower's accounts maintained outside of SVB;

(g) SEC Filings. Within five (5) days of filing, copies of all periodic and other reports, proxy statements and other materials filed by Borrower and/or any Guarantor with the SEC, any Governmental Authority succeeding to any or all of the functions of the SEC or with any national securities exchange, or distributed to its shareholders, as the case may be. Documents required to be delivered pursuant to the terms hereof (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date on which Borrower posts such documents, or provides a link thereto, on Borrower's website on the internet at Borrower's website address;

(h) Legal Action Notice. A prompt report of any legal actions pending or threatened in writing against Borrower or any of its Subsidiaries that could reasonably be expected to result in damages or costs to Borrower or any of its Subsidiaries of, individually or in the aggregate, One Million Dollars ($1,000,000) or more;

(i) Additional Reporting Requirement. At any time that Borrower is not a public company or an issuer of securities that are registered with the SEC under Section 12 of the Exchange Act (or that is required to file reports under Section 15(d) of the Exchange Act), written notice of any changes to the beneficial ownership information set out in Section 14 of the Perfection Certificate. Borrower understands and acknowledges that each Lender relies on such true, accurate and up-to-date beneficial ownership information to meet such Lender's regulatory obligations to obtain, verify and record information about the beneficial owners of its legal entity customers; and

(j) Other Financial Information. Other financial information reasonably requested by Agent or any Lender.

Any submission by Borrower of a Compliance Statement, or any other financial statement submitted to the Financial Statement Repository pursuant to this Section 6.2 or otherwise submitted to Agent and Lenders shall be deemed to be a representation by Borrower that (a) as of the date of such Compliance Statement, or other financial statement, the information and calculations set forth therein are true, accurate and correct, (b) as of the end of the compliance period set forth in such submission, Borrower is in complete compliance with all required covenants except as noted in such Compliance Statement, or other financial statement, as applicable; (c) as of the date of such submission, no Events of Default have occurred or are continuing; (d) all representations and warranties other than any representations or warranties that are made as of a specific date in Article 5 remain true and correct in all material respects as of the date of such submission except as noted in such Compliance Statement, or other financial statement, as applicable; (e) as of the date of such submission, Borrower and each of its Subsidiaries has timely filed all required tax returns and reports, and Borrower has timely paid all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower except as otherwise permitted pursuant to the terms of Section 5.9; and (f) as of the date of such submission, no Liens have been levied or claims made against Borrower or any of its Subsidiaries relating to unpaid employee payroll or benefits of which Borrower has not previously provided written notification to Agent and Lenders.

6.3 Taxes; Pensions. Timely file, and require each of its Subsidiaries to timely file, all required tax returns and reports and timely pay, and require each of its Subsidiaries to timely pay, all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower and each of its Subsidiaries, except for deferred payment of any taxes contested pursuant to the terms of Section 5.8 hereof, and shall deliver to Agent, on demand, appropriate certificates attesting to such payments, and pay all amounts necessary to fund all present pension, profit sharing and deferred compensation plans in accordance with their terms.

6.4 Inventory; Returns. Keep all Inventory in good and marketable condition in all material respects, free from material defects. Returns and allowances between Borrower and its Account Debtors shall follow Borrower's customary practices as they exist at the Effective Date. Borrower must promptly notify Agent and the Lenders of all returns, recoveries, disputes and claims that involve more than One Million Dollars ($1,000,000).

6.5 Insurance.

(a) Keep its business and the Collateral insured for risks and in amounts standard for companies in Borrower's industry and location and as Agent may reasonably request. Insurance policies shall be in a form, with financially sound and reputable insurance companies that are not Affiliates of Borrower, and in amounts that are satisfactory to Agent. All property policies shall have a lender's loss payable endorsement showing Agent as the sole lender loss payee. All liability policies shall show, or have endorsements showing, Agent as an additional insured. Agent shall be named as lender loss payee and/or additional insured with respect to any such insurance providing coverage in respect of any Collateral.

(b) Ensure that proceeds payable under any property policy are, at Agent's option, payable to Agent for the ratable benefit of the Lenders on account of the Obligations.

(c) At Agent's request, Borrower shall deliver certified copies of insurance policies and evidence of all premium payments. Each provider of any such insurance required under this Section 6.5 shall agree, by endorsement upon the policy or policies issued by it or by independent instruments furnished to Agent, that it will give Agent thirty (30) days prior written notice before any such policy or policies shall be materially altered or canceled. If Borrower fails to obtain insurance as required under this Section 6.5 or to pay any amount or furnish any required proof of payment to third persons and Agent, Agent may make all or part of such payment or obtain such insurance policies required in this Section 6.5, and take any action under the policies Agent deems prudent.

6.6 Operating Accounts.

(a) Maintain at least one (1) depository or securities account with SVB or SVB's Affiliates. In addition, during the Control Agreement Transition Period and at all times thereafter until Control Agreements for all Collateral Accounts outside Bank have been delivered to Agent, Borrower shall maintain at least Seventy-Five Million Dollars ($75,000,000) in unrestricted cash and Cash Equivalents in its account(s) held with SVB.

(b) In addition, Borrower and all of its Domestic Subsidiaries shall obtain any business credit cards and Letters of Credit exclusively from SVB provided that such products and services are available from SVB on commercially reasonable terms.

(c) In addition to and without limiting the restrictions in (a), Borrower shall provide Agent five (5) days prior written notice before establishing any Collateral Account at or with any bank or financial institution other than SVB or SVB's Affiliates. For each Collateral Account that Borrower at any time maintains, Borrower shall cause the applicable bank or financial institution (other than SVB) at or with which any Collateral Account is maintained to execute and deliver a Control Agreement or other appropriate instrument with respect to such Collateral Account to perfect Agent's Lien in such Collateral Account in accordance with the terms hereunder, which Control Agreement may not be terminated without the prior written consent of the Lenders. The provisions of the previous sentence shall not apply to deposit accounts exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of Borrower's employees and identified to Agent and the Lenders by Borrower as such.

6.7 Minimum Revenue. For any calendar quarter during which Borrower's Liquidity falls below One Hundred Fifty Million Dollars ($150,000,000) at any time during such quarter, Borrower shall achieve Revenue (measured on a trailing three (3) month basis) of not less than the amount set forth in the table below for the corresponding measuring period:

Measuring Period Ending	Minimum Trailing-3 Month Revenue
March 31, 2021	$20,000,000
June 30, 2021	$30,000,000
September 30, 2021	$34,000,000
December 31, 2021	$44,000,000
Each calendar quarter thereafter through the Term Loan Maturity Date	115% of Borrower's actual Revenue for the same quarterly measuring period in the prior calendar year

6.8 Protection of Intellectual Property Rights.

(a) (i) Protect, defend and maintain the validity and enforceability of any Intellectual Property that has any material value as determined by the Board; (ii) promptly advise Agent in writing of material infringements or any other event that could reasonably be expected to materially and adversely affect the value of its Intellectual Property; and (iii) not allow any Intellectual Property material to Borrower's business to be abandoned, forfeited or dedicated to the public without Agent's written consent.

(b) Provide written notice to Agent within ten (10) days of entering or becoming bound by any Restricted License (other than over-the-counter software that is commercially available to the public). Borrower shall take such commercially reasonable steps as Agent requests to obtain the consent of, or waiver by, any person whose consent or waiver is necessary for (i) any Restricted License to be deemed "Collateral" and for Agent to have a security interest in it that might otherwise be restricted or prohibited by law or by the terms of any such Restricted License, whether now existing or entered into in the future, and (ii) Agent to have the ability in the event of a liquidation of any Collateral to dispose of such Collateral in accordance with Agent's and the Lenders' rights and remedies under this Agreement and the other Loan Documents.

6.9 Litigation Cooperation. From the date hereof and continuing through the termination of this Agreement, make available to Agent, without expense to Agent or any Lender, Borrower and its officers, employees and agents and Borrower's books and records, to the extent that Agent and/or the Lenders may deem them reasonably necessary to prosecute or defend any third-party suit or proceeding instituted by or against Agent and/or any Lender with respect to any Collateral or relating to Borrower.

6.10 Access to Collateral; Books and Records. Allow Agent or its agents, at reasonable times, on five (5) Business Days' notice (provided no notice is required if an Event of Default has occurred and is continuing), to inspect the Collateral and audit and copy Borrower's Books. Such inspections or audits shall be conducted no more often than once every twelve (12) months unless an Event of Default has occurred and is continuing in which case such inspections and audits shall occur as often as Agent shall determine is necessary. The foregoing inspections and audits shall be at Borrower's expense and the charge therefor shall be One Thousand Dollars ($1,000) per person per day (or such higher amount as shall represent Agent's then-current standard charge for the same), plus reasonable out-of-pocket expenses. In the event Borrower and Agent schedule an audit more than eight (8) days in advance, and Borrower cancels or reschedules the audit with less than eight (8) days written notice to Agent, then (without limiting any of Agent's or any Lender's rights or remedies) Borrower shall pay Agent a fee of Two Thousand Dollars ($2,000) plus any out-of-pocket expenses incurred by Agent to compensate Agent for the anticipated costs and expenses of the cancellation or rescheduling.

6.11 Formation or Acquisition of Subsidiaries. Notwithstanding and without limiting the negative covenants contained in Sections 7.3 and 7.7 hereof, at the time that (i) Borrower or any Guarantor forms any direct or indirect Material Subsidiary or acquires any direct or indirect Material Subsidiary after the Effective Date

(including, without limitation, pursuant to a Division), or (ii) any existing Subsidiary of Borrower becomes a Material Subsidiary, Borrower and such Guarantor shall (a) cause such Material Subsidiary to either (I) provide to Lenders a joinder to this Agreement to become a co-borrower hereunder or a Guaranty to become a Guarantor hereunder, together with such appropriate financing statements and/or Control Agreements, or (II) guarantee the Obligations of Borrower under the Loan Documents and, in each case, grant a continuing pledge and security interest in and to the assets of such Subsidiary (substantially as described on Exhibit A hereto), all in form and substance satisfactory to Agent and Lenders (including being sufficient to grant Lenders a first priority Lien (subject to Permitted Liens) in and to the assets of such newly formed or acquired Material Subsidiary), (b) provide to Lenders appropriate certificates and powers and financing statements, pledging all of the direct or beneficial ownership interest in such Material Subsidiary, in form and substance satisfactory to Agent and Lenders; and (c) provide to Lenders all other documentation in form and substance satisfactory to Agent and Lenders, including one or more opinions of counsel satisfactory to Lenders, which in its opinion is appropriate with respect to the execution and delivery of the applicable documentation referred to above; provided, however, that no Foreign Subsidiary shall be required to become a co-borrower or Guarantor hereunder so long as the Borrower is in compliance with Section 7.11 hereof. Any document, agreement, or instrument executed or issued pursuant to this Section 6.11 shall be a Loan Document.

6.12 Further Assurances. Execute any further instruments and take further action as Agent and the Lenders reasonably request to perfect or continue Agent's Lien in the Collateral or to effect the purposes of this Agreement. Deliver to Agent and the Lenders, within five (5) days after the same are sent or received, copies of all correspondence, reports, documents and other filings with any Governmental Authority regarding compliance with or maintenance of Governmental Approvals or Requirements of Law or that could reasonably be expected to have a material effect on any of the Governmental Approvals which are material to the business of Borrower or otherwise on the operations of Borrower or any of its Subsidiaries.

6.13 Post-Closing Conditions.

(a) No later than thirty (30) days after the Effective Date (the period of time from the Effective Date through such date, the "**Control Agreement Transition Period**"), Borrower shall deliver to Agent a Securities Account Control Agreement covering Borrower's account no. XXX-03021 at Merrill Lynch in favor of Agent.

(b) As soon as possible, and no later than forty-five (45) after the Effective Date, Borrower shall deliver to Agent evidence, satisfactory to Agent, that the insurance policies and endorsements required by Section 6.5 hereof are in full force and effect with respect to Borrower, together with appropriate evidence showing lender loss payable and/or additional insured clauses or endorsements in favor of Agent.

7 NEGATIVE COVENANTS

Borrower shall not do any of the following without the prior written consent of the Lenders:

7.1 Dispositions. Convey, sell, lease, transfer, assign, or otherwise dispose of (including, without limitation, pursuant to a Division) (collectively a "**Transfer**"), or permit any of its Subsidiaries to Transfer, all or any part of its business or property, except for Transfers (a) of Inventory in the ordinary course of business; (b) of worn-out or obsolete Equipment that is, in the reasonable judgment of Borrower, no longer economically practicable to maintain or useful in the ordinary course of business of Borrower; (c) consisting of Permitted Liens and Permitted Investments; (d) consisting of the sale or issuance of any stock of Borrower permitted under Section 7.2 of this Agreement; (e) consisting of Borrower's use or transfer of money or Cash Equivalents in a manner that is not prohibited by the terms of this Agreement or the other Loan Documents; and (f) of non-exclusive licenses for the use of the property of Borrower or its Subsidiaries in the ordinary course of business and licenses that could not result in a legal transfer of title of the licensed property but that may be exclusive in respects other than territory and that may be exclusive as to territory only as to discreet geographical areas outside of the United States.

7.2 Changes in Business, Management, Control, or Business Locations. (a) Engage in or permit any of its Subsidiaries to engage in any business other than the businesses currently engaged in by Borrower and such Subsidiary, as applicable, or reasonably related thereto and reasonable extension thereof; (b) liquidate or

dissolve; (c) fail to provide notice to Agent and Lenders of any Key Person departing from or ceasing to be employed by Borrower within ten (10) Business Days after such Key Person's departure from Borrower; or (d) permit or suffer any Change in Control.

Borrower shall not, without at least thirty (30) days prior written notice to Agent: (1) add any new offices or business locations, including warehouses (unless such new offices or business locations contain less than Two Hundred Fifty Thousand Dollars ($250,000) in Borrower's assets or property) or deliver any portion of the Collateral valued, individually or in the aggregate, in excess of Two Hundred Fifty Thousand Dollars ($250,000) to a bailee at a location other than to a bailee and at a location already disclosed in the Perfection Certificate, (2) change its jurisdiction of organization, (3) change its organizational structure or type, (4) change its legal name, or (5) change any organizational number (if any) assigned by its jurisdiction of organization. If Borrower intends to add any new offices or business locations, including warehouses, containing in excess of Two Hundred Fifty Thousand Dollars ($250,000) of Borrower's assets or property, then Borrower will first cause the landlord of any such new offices or business locations, including warehouses, to execute and deliver a landlord consent in form and substance reasonably satisfactory to Agent. If Borrower intends to deliver any portion of the Collateral valued, individually or in the aggregate, in excess of Two Hundred Fifty Thousand Dollars ($250,000) to a bailee, and Agent and such bailee are not already parties to a bailee agreement governing both the Collateral and the location to which Borrower intends to deliver the Collateral, then Borrower will first cause such bailee to execute and deliver a bailee agreement in form and substance reasonably satisfactory to Agent.

7.3 Mergers or Acquisitions. Merge or consolidate, or permit any of its Subsidiaries to merge or consolidate, with any other Person, or acquire, or permit any of its Subsidiaries to acquire, all or substantially all of the capital stock or property of another Person (including, without limitation, by the formation of any Subsidiary or pursuant to a Division). A Subsidiary may merge or consolidate into another Subsidiary or into Borrower. Notwithstanding the foregoing, Axonics UK may consummate the Contura Acquisition.

7.4 Indebtedness. Create, incur, assume, or be liable for any Indebtedness, or permit any Subsidiary to do so, other than Permitted Indebtedness.

7.5 Encumbrance. Create, incur, allow, or suffer any Lien on any of its property, or assign or convey any right to receive income, including the sale of any Accounts, or permit any of its Subsidiaries to do so, except for Permitted Liens, permit any Collateral not to be subject to the first priority security interest granted herein, or enter into any agreement, document, instrument or other arrangement (except with or in favor of Agent, for the ratable benefit of the Lenders) with any Person which directly or indirectly prohibits or has the effect of prohibiting Borrower or any Subsidiary from assigning, mortgaging, pledging, granting a security interest in or upon, or encumbering any of Borrower's or any Subsidiary's Intellectual Property, except as is otherwise permitted in Section 7.1 hereof and the definition of "Permitted Liens" herein.

7.6 Maintenance of Collateral Accounts. Maintain any Collateral Account except pursuant to the terms of Section 6.6(c) hereof.

7.7 Distributions; Investments. (a) Pay any dividends or make any distribution or payment or redeem, retire or purchase any capital stock; or (b) directly or indirectly make any Investment (including, without limitation, by the formation of any Subsidiary) other than Permitted Investments, or permit any of its Subsidiaries to do so.

7.8 Transactions with Affiliates. Directly or indirectly enter into or permit to exist any material transaction with any Affiliate of Borrower, except for transactions that are in the ordinary course of Borrower's business or consistent with past practice, upon fair and reasonable terms that are no less favorable to Borrower than would be obtained in an arm's length transaction with a non-affiliated Person.

7.9 Subordinated Debt. (a) Make or permit any payment on any Subordinated Debt, except under the terms of the subordination, intercreditor, or other similar agreement to which such Subordinated Debt is subject, or (b) amend any provision in any document relating to the Subordinated Debt which would increase the amount thereof, provide for earlier or greater principal, interest, or other payments thereon, or adversely affect the subordination thereof to Obligations owed to Agent and the Lenders.

7.10 Compliance. Become an "investment company" or a company controlled by an "investment company", under the Investment Company Act of 1940, as amended, or undertake as one of its important activities extending credit to purchase or carry margin stock (as defined in Regulation U of the Board of Governors of the Federal Reserve System), or use the proceeds of any Credit Extension for that purpose; fail to (a) meet the minimum funding requirements of ERISA, (b) prevent a Reportable Event or Prohibited Transaction, as defined in ERISA, from occurring, or (c) comply with the Federal Fair Labor Standards Act, or violate any other law or regulation, if the violation could reasonably be expected to have a material adverse effect on Borrower's business, or permit any of its Subsidiaries to do so; withdraw or permit any Subsidiary to withdraw from participation in, permit partial or complete termination of, or permit the occurrence of any other event with respect to, any present pension, profit sharing and deferred compensation plan which could reasonably be expected to result in any liability of Borrower, including any liability to the Pension Benefit Guaranty Corporation or its successors or any other governmental agency.

7.11 Assets in Foreign Subsidiaries. Permit its Foreign Subsidiaries to hold or maintain, at any time, assets (other than Intellectual Property and other intangible assets) with an aggregate value in excess of Ten Million Dollars ($10,000,000).

8 EVENTS OF DEFAULT

Any one of the following shall constitute an event of default (an "**Event of Default**") under this Agreement:

8.1 Payment Default. Borrower fails to (a) make any payment of principal or interest on any Credit Extension when due, or (b) pay any other Obligations within three (3) Business Days after such Obligations are due and payable (which three (3) Business Day cure period shall not apply to payments due on the Term Loan Maturity Date). During the cure period, the failure to make or pay any payment specified under clause 8.2(b) hereunder is not an Event of Default (but no Credit Extension will be made during the cure period);

8.2 Covenant Default.

(a) Borrower fails or neglects to perform any obligation in Sections 6.2, 6.3, 6.5, 6.6, 6.7, 6.9, 6.10, 6.11, 6.12, or 6.13 or violates any covenant in Section 7; or

(b) Borrower fails or neglects to perform, keep, or observe any other term, provision, condition, covenant or agreement contained in this Agreement or any Loan Documents, and as to any default (other than those specified in this Section 8) under such other term, provision, condition, covenant or agreement that can be cured, has failed to cure the default within ten (10) days after the occurrence thereof; provided, however, that if the default cannot by its nature be cured within the ten (10) day period or cannot after diligent attempts by Borrower be cured within such ten (10) day period, and such default is likely to be cured within a reasonable time, then Borrower shall have an additional period (which shall not in any case exceed thirty (30) days) to attempt to cure such default, and within such reasonable time period the failure to cure the default shall not be deemed an Event of Default (but no Credit Extensions shall be made during such cure period). Cure periods provided under this section shall not apply, among other things, to financial covenants or any other covenants set forth in clause (a) above;

8.3 Material Adverse Change. A Material Adverse Change occurs;

8.4 Attachment; Levy; Restraint on Business.

(a) (i) The service of process seeking to attach, by trustee or similar process, any funds of Borrower or of any entity under the control of Borrower (including a Subsidiary) in excess of Two Hundred Fifty Thousand Dollars ($250,000), or (ii) a notice of lien or levy is filed against any of Borrower's assets in excess of Two Hundred Fifty Thousand Dollars ($250,000) by any Governmental Authority, and the same under subclauses (i) and (ii) hereof are not, within ten (10) days after the occurrence thereof, discharged or stayed (whether through the posting of a bond or otherwise); provided, however, no Credit Extensions shall be made during any ten (10) day cure period; or

(b) (i) any material portion of Borrower's assets is attached, seized, levied on, or comes into possession of a trustee or receiver, or (ii) any court order enjoins, restrains, or prevents Borrower from conducting all or any material part of its business;

8.5 Insolvency. (a) Borrower or any of its Subsidiaries is unable to pay its debts (including trade debts) as they become due or otherwise becomes insolvent; (b) Borrower or any of its Subsidiaries begins an Insolvency Proceeding; or (c) an Insolvency Proceeding is begun against Borrower or any of its Subsidiaries and is not dismissed or stayed within thirty (30) days (but no Credit Extensions shall be made while any of the conditions described in clause (a) exist and/or until any Insolvency Proceeding is dismissed);

8.6 Other Agreements. There is, under any agreement to which Borrower or any Guarantor is a party with a third party or parties, (a) any default resulting in a right by such third party or parties, whether or not exercised, to accelerate the maturity of any Indebtedness in an amount individually or in the aggregate in excess of Two Million Dollars ($2,000,000); or (b) any breach or default by Borrower or Guarantor, the result of which could reasonably be expected to have a material adverse effect on Borrower's or any Guarantor's business;

8.7 Judgments; Penalties. One or more fines, penalties, or final judgments, orders or decrees for the payment of money in an amount, individually or in the aggregate, of at least Two Million Dollars ($2,000,000) (not covered by independent third-party insurance as to which liability has been accepted by such insurance carrier) shall be rendered against Borrower by any Governmental Authority, and the same are not, within thirty (30) days after the entry, assessment or issuance thereof, discharged, satisfied, or paid, or after execution thereof, stayed or bonded pending appeal, or such judgments are not discharged prior to the expiration of any such stay (provided that no Credit Extensions will be made prior to the satisfaction, payment, discharge, stay, or bonding of such fine, penalty, judgment, order or decree);

8.8 Misrepresentations. Borrower or any Person acting for Borrower makes any representation, warranty, or other statement now or later in this Agreement, any Loan Document or in any writing delivered to Agent or any Lender or to induce Agent or any Lender to enter this Agreement or any Loan Document (other than the Lender Intercreditor Agreement), and such representation, warranty, or other statement is incorrect in any material respect when made;

8.9 Subordinated Debt. Any document, instrument, or agreement evidencing the subordination of any Subordinated Debt shall for any reason be revoked or invalidated or otherwise cease to be in full force and effect, any Person shall be in breach thereof or contest in any manner the validity or enforceability thereof or deny that it has any further liability or obligation thereunder, or the Obligations shall for any reason be subordinated or shall not have the priority contemplated by this Agreement or any applicable subordination or intercreditor agreement;

8.10 Guaranty. (a) Any guaranty of any Obligations terminates or ceases for any reason to be in full force and effect; (b) any Guarantor does not perform any obligation or covenant under any guaranty of the Obligations and such failure is not cured ten (10) days after the occurrence thereof; provided, however, that if the default cannot by its nature be cured within the ten (10) day period or cannot after diligent attempts by such Guarantor be cured within such ten (10) day period, and such default is likely to be cured within a reasonable time, then such Guarantor shall have an additional period (which shall not in any case exceed thirty (30) days) to attempt to cure such default, and within such reasonable time period the failure to cure the default shall not be deemed an Event of Default (but no Credit Extensions shall be made during such cure period); (c) any circumstance described in Sections 8.3, 8.4, 8.5, 8.6, 8.7, or 8.8 of this Agreement occurs with respect to any Guarantor, (d) the death, liquidation, winding up, or termination of existence of any Guarantor; or (e) a material impairment in the perfection or priority of Agent's Lien in the collateral provided by Guarantor or in the value of such collateral; or

8.11 Governmental Approvals. Any Governmental Approval (other than with respect to Governmental Approvals related to Borrower's products in the ordinary course of business) shall have been (a) revoked, rescinded, suspended, modified in an adverse manner or not renewed in the ordinary course for a full term or (b) subject to any decision by a Governmental Authority that designates a hearing with respect to any applications for renewal of any of such Governmental Approval or that could result in the Governmental Authority taking any of the actions described in clause (a) above, and such decision or such revocation, rescission, suspension,

modification or non-renewal (i) causes, or could reasonably be expected to cause, a Material Adverse Change, or (ii) adversely affects the legal qualifications of Borrower or any of its Subsidiaries to hold such Governmental Approval in any applicable jurisdiction and such revocation, rescission, suspension, modification or non-renewal could reasonably be expected to materially and adversely affect the status of or legal qualifications of Borrower or any of its Subsidiaries to hold any Governmental Approval in any other jurisdiction.

9 RIGHTS AND REMEDIES

9.1 Rights and Remedies. Upon the occurrence and during the continuance of an Event of Default, Agent, as directed by Lenders in accordance with the Lender Intercreditor Agreement or, if such rights and remedies are not addressed in the Lender Intercreditor Agreement, as directed by Lenders having a majority of the Obligations, may, without notice or demand, do any or all of the following:

(a) declare all Obligations immediately due and payable (but if an Event of Default described in Section 8.5 occurs all Obligations are immediately due and payable without any action by Agent or any Lender);

(b) stop advancing money or extending credit for Borrower's benefit under this Agreement or under any other agreement among Borrower, Agent and/or any Lenders;

(c) demand that Borrower (i) deposit cash with SVB in an amount equal to at least (x) one hundred five percent (105.0%) of the Dollar Equivalent of the aggregate face amount of all Letters of Credit denominated in Dollars remaining undrawn, and (y) one hundred ten percent (110.0%) of the Dollar Equivalent of the aggregate face amount of all Letters of Credit denominated in a Foreign Currency remaining undrawn (plus, in each case, all interest, fees, and costs due or to become due in connection therewith (as estimated by SVB in its good faith business judgment)), to secure all of the Obligations relating to such Letters of Credit, as collateral security for the repayment of any future drawings under such Letters of Credit, and Borrower shall forthwith deposit and pay such amounts, and (ii) pay in advance all letter of credit fees scheduled to be paid or payable over the remaining term of any Letters of Credit;

(d) terminate any FX Contracts;

(e) verify the amount of, demand payment of and performance under, and collect any Accounts and General Intangibles, settle or adjust disputes and claims directly with Account Debtors for amounts on terms and in any order that Agent and/or the Lenders consider advisable, and notify any Person owing Borrower money of Agent's security interest in such funds. Borrower shall collect all payments in trust for Lenders and, if requested by Agent, immediately deliver the payments to Lenders in the form received from the Account Debtor, with proper endorsements for deposit;

(f) make any payments and do any acts Agent or any Lender considers necessary or reasonable to protect the Collateral and/or its security interest in the Collateral. Borrower shall assemble the Collateral if Agent requests and make it available as Agent designates. Agent may enter premises where the Collateral is located, take and maintain possession of any part of the Collateral, and pay, purchase, contest, or compromise any Lien which appears to be prior or superior to its security interest or charges and pay all expenses incurred. Borrower grants Agent a license to enter and occupy any of its premises, without charge, to exercise any of Agent's rights or remedies;

(g) apply to the Obligations (i) any balances and deposits of Borrower it holds, or (ii) any amount held by Agent owing to or for the credit or the account of Borrower;

(h) ship, reclaim, recover, store, finish, maintain, repair, prepare for sale, advertise for sale, and sell the Collateral. Agent, for the benefit of the Lenders, is hereby granted a non-exclusive, royalty-free license or other right to use, without charge, Borrower's labels, Patents, Copyrights, mask works, rights of use of any name, trade secrets, trade names, Trademarks, and advertising matter, or any similar property as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral and, in connection with

Agent's exercise of its rights under this Section 9.1, Borrower's rights under all licenses and all franchise agreements inure to Agent, for the ratable benefit of the Lenders;

(i) place a "hold" on any account maintained with Agent or Lenders and/or deliver a notice of exclusive control, any entitlement order, or other directions or instructions pursuant to any Control Agreement or similar agreements providing control of any Collateral;

(j) demand and receive possession of Borrower's Books; and

(k) exercise all rights and remedies available to Agent and the Lenders under the Loan Documents or at law or equity, including all remedies provided under the Code (including disposal of the Collateral pursuant to the terms thereof).

9.2 Power of Attorney. Borrower hereby irrevocably appoints Agent, for the benefit of the Lenders, as its lawful attorney-in-fact, exercisable following the occurrence and during the continuation of an Event of Default, to: (a) endorse Borrower's name on any checks, payment instruments, or other forms of payment or security; (b) sign Borrower's name on any invoice or bill of lading for any Account or drafts against Account Debtors; (c) demand, collect, sue, and give releases to any Account Debtor for monies due, settle and adjust disputes and claims about the Accounts directly with Account Debtors, and compromise, prosecute, or defend any action, claim, case, or proceeding about any Collateral (including filing a claim or voting a claim in any bankruptcy case in Agent's or Borrower's name, as Agent chooses) for amounts and on terms Agent determines reasonable; (d) make, settle, and adjust all claims under Borrower's insurance policies; (e) pay, contest or settle any Lien, charge, encumbrance, security interest, and adverse claim in or to the Collateral, or any judgment based thereon, or otherwise take any action to terminate or discharge the same; and (f) transfer the Collateral into the name of Agent or a third party as the Code permits. Borrower hereby appoints Agent as its lawful attorney-in-fact to sign Borrower's name on any documents necessary to perfect or continue the perfection of Agent's security interest in the Collateral regardless of whether an Event of Default has occurred until all Obligations have been satisfied in full and the Loan Documents (other than the Lender Intercreditor Agreement) have been terminated. Agent's foregoing appointment as Borrower's attorney in fact, and all of Agent's rights and powers, coupled with an interest, are irrevocable until all Obligations have been fully repaid and performed and the Loan Documents (other than the Lender Intercreditor Agreement) have been terminated.

9.3 Protective Payments. If Borrower fails to obtain the insurance called for by Section 6.5 or fails to pay any premium thereon or fails to pay any other amount which Borrower is obligated to pay under this Agreement or any other Loan Document or which may be required to preserve the Collateral, Agent may obtain such insurance or make such payment, and all amounts so paid by Agent are Lenders' Expenses and immediately due and payable, bearing interest at the then highest rate applicable to the Obligations, and secured by the Collateral. Agent will make reasonable efforts to provide Borrower with notice of Agent obtaining such insurance at the time it is obtained or within a reasonable time thereafter. No payments by Agent are deemed an agreement to make similar payments in the future or Agent's or and Lenders' waiver of any Event of Default.

9.4 Application of Payments and Proceeds. Agent shall have the right to apply in any order any funds in its possession, whether from Borrower account balances, payments, proceeds realized as the result of any collection of Accounts or other disposition of the Collateral, or otherwise, to the Obligations. Agent shall pay any surplus to Borrower by credit to the Designated Deposit Account or to other Persons legally entitled thereto; Borrower shall remain liable to Agent and the Lenders for any deficiency. If Agent, directly or indirectly, enters into a deferred payment or other credit transaction with any purchaser at any sale of Collateral, Agent shall have the option, exercisable at any time, of either reducing the Obligations by the principal amount of the purchase price or deferring the reduction of the Obligations until the actual receipt by Agent of cash therefor.

9.5 Liability for Collateral. So long as Agent and Lenders comply with reasonable banking practices regarding the safekeeping of the Collateral in their possession or under the control of Agent and/or Lenders, Agent and Lenders shall not be liable or responsible for: (a) the safekeeping of the Collateral; (b) any loss or damage to the Collateral; (c) any diminution in the value of the Collateral; or (d) any act or default of any carrier, warehouseman, bailee, or other Person. Borrower bears all risk of loss, damage or destruction of the Collateral.

9.6 No Waiver; Remedies Cumulative. Agent's and any Lender's failure, at any time or times, to require strict performance by Borrower of any provision of this Agreement or any other Loan Document shall not waive, affect, or diminish any right of Agent or any Lender thereafter to demand strict performance and compliance herewith or therewith. No waiver hereunder shall be effective unless signed by the party granting the waiver and then is only effective for the specific instance and purpose for which it is given. Agent's and each Lender's rights and remedies under this Agreement and the other Loan Documents are cumulative. Agent and each Lender have all rights and remedies provided under the Code, by law, or in equity. Agent's or any Lender's exercise of one right or remedy is not an election and shall not preclude Agent or any Lender from exercising any other remedy under this Agreement or any other Loan Document or other remedy available at law or in equity, and Agent's or any Lender's waiver of any Event of Default is not a continuing waiver. Agent's or any Lender's delay in exercising any remedy is not a waiver, election, or acquiescence.

9.7 Demand Waiver. Borrower waives demand, notice of default or dishonor, notice of payment and nonpayment, notice of any default, nonpayment at maturity, release, compromise, settlement, extension, or renewal of accounts, documents, instruments, chattel paper, and guarantees held by Agent on which Borrower is liable.

10 AGENT

10.1 Appointment and Authority.

(a) Each Lender hereby irrevocably appoints SVB to act on its behalf as Agent hereunder and under the other Loan Documents and authorizes Agent to take such actions on its behalf and to exercise such powers as are delegated to Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto.

(b) The provisions of this Section 10 are solely for the benefit of Agent and Lenders, and Borrower shall not have rights as a third party beneficiary of any of such provisions. Notwithstanding any provision to the contrary elsewhere in this Agreement, Agent shall not have any duties or responsibilities to any Lender or any other Person, except those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against Agent.

10.2 Delegation of Duties. Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by Agent. Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Indemnified Persons. The exculpatory provisions of this Section 10.2 shall apply to any such sub-agent and to the Indemnified Persons of Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Agent.

10.3 Exculpatory Provisions. Agent shall have no duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, Agent shall not:

(a) be subject to any fiduciary, trust, agency or other similar duties, regardless of whether any Event of Default has occurred and is continuing;

(b) have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that Agent is required to exercise as directed in writing by the Lenders, as applicable; provided that Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose Agent to liability or that is contrary to any Loan Document or applicable law; and

(c) except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and Agent shall not be liable for the failure to disclose, any information relating to Borrower or any of its Affiliates that is communicated to or obtained by any Person serving as Agent or any of its Affiliates in any capacity.

Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Lenders (or as Agent shall believe in good faith shall be necessary, under the circumstances as provided in Section 13.7) or (ii) in the absence of its own gross negligence or willful misconduct.

Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Event of Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Section 3 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to Agent.

10.4 Reliance by Agent. Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. Agent may consult with legal counsel (who may be counsel for Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts. In determining compliance with any condition hereunder to the making of a Credit Extension that, by its terms, must be fulfilled to the satisfaction of a Lender, Agent may presume that such condition is satisfactory to such Lender unless Agent shall have received notice to the contrary from such Lender prior to the making of such Credit Extension. Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement and the other Loan Documents in accordance with a request of the Lenders, and such request and any action taken or failure to act pursuant thereto shall be binding upon Lenders and all future holders of the Credit Extensions.

10.5 Notice of Default. Agent shall not be deemed to have knowledge or notice of the occurrence of any Event of Default (except with respect to defaults in the payment of principal, interest or fees required to be paid to Agent for the account of Lenders), unless Agent has received notice from a Lender or Borrower referring to this Agreement, describing such Event of Default and stating that such notice is a "notice of default". In the event that Agent receives such a notice, Agent shall give notice thereof to Lenders. Agent shall take such action with respect to such Event of Default as shall be reasonably directed by the Lenders.

10.6 Non-Reliance on Agent and Other Lenders. Each Lender expressly acknowledges that neither Agent nor any of its officers, directors, employees, agents, attorneys in fact or affiliates has made any representations or warranties to it and that no act by Agent hereafter taken, including any review of the affairs of a Group Member or any Affiliate of a Group Member, shall be deemed to constitute any representation or warranty by Agent to any Lender. Each Lender represents to Agent that it has, independently and without reliance upon Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of, and investigation into, the business, operations, property, financial and other condition and creditworthiness of the Group Members and their Affiliates and made its own decision to make its Credit Extensions hereunder and enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of the Group Members and their Affiliates. Except for notices, reports and other documents expressly required to be furnished to Lenders by Agent hereunder, Agent shall have no duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, property, condition (financial or otherwise), prospects or creditworthiness of any Group Member or any Affiliate of a Group Member that may come into the possession of Agent or any of its officers, directors, employees, agents, attorneys in fact or Affiliates.

10.7 Indemnification. Each Lender agrees to indemnify Agent in its capacity as such (to the extent not reimbursed by Borrower and without limiting the obligation of Borrower to do so in accordance with the terms

hereof), according to its Term Loan Commitment Percentage in effect on the date on which indemnification is sought under this Section 10.7 (or, if indemnification is sought after the date upon which the Commitments shall have terminated and the Obligations shall have been paid in full, in accordance with its Term Loan Commitment Percentage immediately prior to such date), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time (whether before or after the payment of the Credit Extensions) be imposed on, incurred by or asserted against Agent in any way relating to or arising out of, the Commitments, this Agreement, any of the other Loan Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by Agent under or in connection with any of the foregoing; provided that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements that are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted primarily from Agent's gross negligence or willful misconduct. The agreements in this Section shall survive the payment of the Credit Extensions and all other amounts payable hereunder.

10.8 Agent in Its Individual Capacity. The Person serving as Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include each such Person serving as Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with Borrower, any Guarantor or any Subsidiary or other Affiliate thereof as if such Person were not Agent hereunder and without any duty to account therefor to Lenders.

10.9 Successor Agent. Agent may at any time give notice of its resignation to Lenders and Borrower, which resignation shall not be effective until the time at which the majority of the Lenders have delivered to Agent their written consent to such resignation. Upon receipt of any such notice of resignation, the Lenders shall have the right, in consultation with Borrower, to appoint a successor, which shall be a financial institution with an office in the State of California, or an Affiliate of any such bank with an office in the State of California. If no such successor shall have been so appointed by the Lenders and shall have accepted such appointment within thirty (30) days after the retiring Agent has received the written consent of the majority of the Lenders to such resignation, then the retiring Agent may on behalf of Lenders, appoint a successor Agent meeting the qualifications set forth above; provided that in no event shall any such successor Agent be a Defaulting Lender and provided further that if the retiring Agent shall notify Borrower and Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (1) the retiring Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by Agent on behalf of the Lenders under any of the Loan Documents, the retiring Agent shall continue to hold such collateral security until such time as a successor Agent is appointed and such collateral security is assigned to such successor Agent) and (2) all payments, communications and determinations provided to be made by, to or through Agent shall instead be made by or to each Lender directly, until such time as the Lenders appoint a successor Agent as provided for above in this Section 10.9. Upon the acceptance of a successor's appointment as Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Agent, and the retiring Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section 10.9). The fees payable by Borrower to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between Borrower and such successor. After the retiring Agent's resignation hereunder and under the other Loan Documents, the provisions of this Section 10 shall continue in effect for the benefit of such retiring Agent, its sub-agents and their respective Indemnified Persons in respect of any actions taken or omitted to be taken by any of them while the retiring Agent was acting as Agent.

10.10 Defaulting Lender.

(a) Defaulting Lender Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as long as said Lender is a Defaulting Lender.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 8 or otherwise, and including any amounts made available to the Agent by such Defaulting Lender pursuant to Section 13.10), shall be applied at such time or times as may be determined by the Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Agent hereunder; second, as Borrower may request (so long as no Event of Default exists), to the funding of any Term Loan Advance in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Agent; third, if so determined by the Agent and Borrower, to be held in a Deposit Account and released pro rata to satisfy such Defaulting Lender's potential future funding obligations with respect to Term Loan Advance under this Agreement; fourth, so long as no Event of Default has occurred and is continuing, to the payment of any amounts owing to Borrower as a result of any judgment of a court of competent jurisdiction obtained by Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and fifth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (A) such payment is a payment of the principal amount of any Term Loan Advance in respect of which such Defaulting Lender has not fully funded its appropriate share and (B) such Term Loan Advance was made at a time when the conditions set forth in Section 3.1 were satisfied or waived, such payment shall be applied solely to pay the Term Loan Advance of all non-Defaulting Lenders on a *pro rata* basis prior to being applied to the payment of any Term Loan Advance of such Defaulting Lender until such time as the Term Loan Advance is held by the Lenders pro rata in accordance with the Term Loan Commitments under this Agreement. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender pursuant to this Section 10.10(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees. No Defaulting Lender shall be entitled to receive any fee pursuant to Section 2.3(b) or Section 2.3(c) for any period during which such Lender is a Defaulting Lender (and Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to such Defaulting Lender).

(b) Defaulting Lender Cure. If Borrower and Agent agree in writing that a Lender is no longer a Defaulting Lender, Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, such Lender will, to the extent applicable, purchase at par that portion of outstanding Term Loan Advance of the other Lenders or take such other actions as Agent may determine to be necessary to cause the Term Loan Advance to be held on a *pro rata* basis by the Lenders in accordance with their respective Term Loan Commitment Percentages, whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of Borrower while such Lender was a Defaulting Lender; and provided further that, except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from such Lender having been a Defaulting Lender.

(c) Termination of Defaulting Lender. Borrower may terminate the unused amount of the Term Loan Commitment of any Lender that is a Defaulting Lender upon not less than ten (10) Business Days' prior notice to Agent (which shall promptly notify the Lenders thereof), and in such event the provisions of Section 10.10(a)(ii) will apply to all amounts thereafter paid by Borrower for the account of such Defaulting Lender under this Agreement (whether on account of principal, interest, fees, indemnity or other amounts); provided that (i) no Event of Default shall have occurred and be continuing, and (ii) such termination shall not be deemed to be a waiver or release of any claim Borrower, Agent or any Lender may have against such Defaulting Lender.

(d) If the Person serving as Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the non-Defaulting Lenders may, to the extent permitted by applicable law, by notice in writing to Borrower and such Person, remove such Person as Agent and, in consultation with Borrower, appoint a successor. If no such successor shall have been so appointed by the non-Defaulting Lenders and shall have accepted such appointment within thirty (30) days (or such earlier day as shall be agreed by the non-Defaulting Lenders) (the "**Removal Effective Date**"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

11 NOTICES

All notices, consents, requests, approvals, demands, or other communication by any party to this Agreement or any other Loan Document must be in writing and shall be deemed to have been validly served, given, or delivered: (a) upon the earlier of actual receipt and three (3) Business Days after deposit in the U.S. mail, first class, registered or certified mail return receipt requested, with proper postage prepaid; (b) upon transmission, when sent by electronic mail; (c) one (1) Business Day after deposit with a reputable overnight courier with all charges prepaid; or (d) when delivered, if hand-delivered by messenger, all of which shall be addressed to the party to be notified and sent to the address, or email address indicated below. Agent or Borrower may change its mailing or electronic mail address by giving the other party written notice thereof in accordance with the terms of this Section 11.

If to Borrower:	Axonics Modulation Technologies, Inc. 26 Technology Drive Irvine, CA 92618 Attn: Raymond Cohen, Chief Executive Officer
If to Agent or SVB:	Silicon Valley Bank 4370 La Jolla Village Drive, Suite 1050, San Diego, CA 92122 Attn: Milo Bissin, Director
with a copy to:	DLA Piper LLP (US)401 B Street, Suite 1700 San Diego, CA 92101 Attn: Matt Schwartz
If to SVB Capital:	SVB Innovation Credit Fund VIII, L.P. c/o SVB Capital 2770 Sand Hill Road Menlo Park, CA 94025 Attn: SVB Capital Finance and Operations

12 CHOICE OF LAW, VENUE AND JURY TRIAL WAIVER AND JUDICIAL REFERENCE

Except as otherwise expressly provided in any of the Loan Documents, California law governs the Loan Documents without regard to principles of conflicts of law. Except to the extent otherwise set forth in the Loan Documents, Borrower, Agent and Lenders each submit to the exclusive jurisdiction of the State and Federal courts in Santa Clara County, California; provided, however, that nothing in this Agreement shall be deemed to operate to

preclude Agent or Lenders from bringing suit or taking other legal action in any other jurisdiction to realize on the Collateral or any other security for the Obligations, or to enforce a judgment or other court order in favor of Agent or any Lender. Borrower expressly submits and consents in advance to such jurisdiction in any action or suit commenced in any such court, and Borrower hereby waives any objection that it may have based upon lack of personal jurisdiction, improper venue, or forum non conveniens and hereby consents to the granting of such legal or equitable relief as is deemed appropriate by such court. Borrower hereby waives personal service of the summons, complaints, and other process issued in such action or suit and agrees that service of such summons, complaints, and other process may be made by registered or certified mail addressed to Borrower at the address set forth in, or subsequently provided by Borrower in accordance with, Section 11 of this Agreement and that service so made shall be deemed completed upon the earlier to occur of Borrower's actual receipt thereof or three (3) days after deposit in the U.S. mails, proper postage prepaid.

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, BORROWER, AGENT AND EACH LENDER EACH WAIVE THEIR RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS AGREEMENT, THE LOAN DOCUMENTS OR ANY CONTEMPLATED TRANSACTION, INCLUDING CONTRACT, TORT, BREACH OF DUTY AND ALL OTHER CLAIMS. THIS WAIVER IS A MATERIAL INDUCEMENT FOR ALL PARTIES TO ENTER INTO THIS AGREEMENT. EACH PARTY HAS REVIEWED THIS WAIVER WITH ITS COUNSEL.

WITHOUT INTENDING IN ANY WAY TO LIMIT THE PARTIES' AGREEMENT TO WAIVE THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY, if the above waiver of the right to a trial by jury is not enforceable, the parties hereto agree that any and all disputes or controversies of any nature between them arising at any time shall be decided by a reference to a private judge, mutually selected by the parties (or, if they cannot agree, by the Presiding Judge of the Santa Clara County, California Superior Court) appointed in accordance with California Code of Civil Procedure Section 638 (or pursuant to comparable provisions of federal law if the dispute falls within the exclusive jurisdiction of the federal courts), sitting without a jury, in Santa Clara County, California; and the parties hereby submit to the jurisdiction of such court. The reference proceedings shall be conducted pursuant to and in accordance with the provisions of California Code of Civil Procedure Sections 638 through 645.1, inclusive. The private judge shall have the power, among others, to grant provisional relief, including without limitation, entering temporary restraining orders, issuing preliminary and permanent injunctions and appointing receivers. All such proceedings shall be closed to the public and confidential and all records relating thereto shall be permanently sealed. If during the course of any dispute, a party desires to seek provisional relief, but a judge has not been appointed at that point pursuant to the judicial reference procedures, then such party may apply to the Santa Clara County, California Superior Court for such relief. The proceeding before the private judge shall be conducted in the same manner as it would be before a court under the rules of evidence applicable to judicial proceedings. The parties shall be entitled to discovery which shall be conducted in the same manner as it would be before a court under the rules of discovery applicable to judicial proceedings. The private judge shall oversee discovery and may enforce all discovery rules and orders applicable to judicial proceedings in the same manner as a trial court judge. The parties agree that the selected or appointed private judge shall have the power to decide all issues in the action or proceeding, whether of fact or of law, and shall report a statement of decision thereon pursuant to California Code of Civil Procedure Section 644(a). Nothing in this paragraph shall limit the right of any party at any time to exercise self-help remedies, foreclose against collateral, or obtain provisional remedies. The private judge shall also determine all issues relating to the applicability, interpretation, and enforceability of this paragraph.

This Section 12 shall survive the termination of this Agreement.

13 GENERAL PROVISIONS

13.1 Termination Prior to Term Loan Maturity Date; Survival. All covenants, representations and warranties made in this Agreement continue in full force until this Agreement has terminated pursuant to its terms and all Obligations have been satisfied. So long as Borrower has satisfied the Obligations (other than inchoate indemnity obligations, any other obligations which, by their terms, are to survive the termination of this Agreement, and any Obligations under Bank Services Agreements that are cash collateralized in accordance with Section 4.1 of this Agreement), this Agreement may be terminated prior to the Term Loan Maturity Date by Borrower, effective

upon written notice of termination is given to Agent. Those obligations that are expressly specified in this Agreement as surviving this Agreement's termination shall continue to survive notwithstanding this Agreement's termination. No termination of this Agreement shall in any way affect or impair any right or remedy of Agent or any Lender, nor shall any such termination relieve Borrower of any Obligation to any Lender, until all of the Obligations have been paid and performed in full. Those Obligations that are expressly specified in this Agreement as surviving this Agreement's termination shall continue to survive notwithstanding this Agreement's termination and payment in full of the Obligations then outstanding.

13.2 Successors and Assigns. This Agreement binds and is for the benefit of the successors and permitted assigns of each party. Borrower may not assign this Agreement or any rights or obligations under it without Agent and Lenders' prior written consent (which may be granted or withheld in Agent's and Lenders' sole discretion). Agent and each Lender has the right, without the consent of or notice to Borrower, to sell, transfer, assign, negotiate, or grant participation in all or any part of, or any interest in, such Lender's obligations, rights, and benefits under this Agreement and the other Loan Documents.

13.3 Indemnification. Borrower agrees to indemnify, defend and hold Agent, each Lender and their respective directors, officers, employees, agents, attorneys, or any other Person affiliated with or representing Agent or any Lender (each, an "**Indemnified Person**") harmless against: (i) all obligations, demands, claims, and liabilities (collectively, "**Claims**") claimed or asserted by any other party in connection with the transactions contemplated by the Loan Documents (other than the Lender Intercreditor Agreement); and (ii) all losses or expenses (including Lenders' Expenses) in any way suffered, incurred, or paid by such Indemnified Person as a result of, following from, consequential to, or arising from transactions between Agent, Lenders and Borrower (including reasonable attorneys' fees and expenses), except for Claims and/or losses directly caused by such Indemnified Person's gross negligence or willful misconduct. This Section 13.3 shall survive until all statutes of limitation with respect to the Claims, losses, and expenses for which indemnity is given shall have run.

13.4 Time of Essence. Time is of the essence for the performance of all Obligations in this Agreement.

13.5 Severability of Provisions. Each provision of this Agreement is severable from every other provision in determining the enforceability of any provision.

13.6 Correction of Loan Documents. Agent may correct patent errors and fill in any blanks in the Loan Documents consistent with the agreement of the parties.

13.7 Amendments in Writing; Waiver; Integration. No purported amendment or modification of any Loan Document, or waiver, discharge or termination of any obligation under any Loan Document, or release, or subordinate Lenders' security interest in, or consent to the transfer of, any Collateral shall be enforceable or admissible unless, and only to the extent, expressly set forth in a writing signed by Agent, with the consent of the Lenders in accordance with the Lender Intercreditor Agreement or, if such item is not addressed in the Lender Intercreditor Agreement, as consented to by Lenders holding a majority of the Term Loan, and Borrower. Without limiting the generality of the foregoing, no oral promise or statement, nor any action, inaction, delay, failure to require performance or course of conduct shall operate as, or evidence, an amendment, supplement or waiver or have any other effect on any Loan Document. Any waiver granted shall be limited to the specific circumstance expressly described in it, and shall not apply to any subsequent or other circumstance, whether similar or dissimilar, or give rise to, or evidence, any obligation or commitment to grant any further waiver. The Loan Documents represent the entire agreement about this subject matter and supersede prior negotiations or agreements. All prior agreements, understandings, representations, warranties, and negotiations between the parties about the subject matter of the Loan Documents merge into the Loan Documents. In the event any provision of any other Loan Document is inconsistent with the provisions of this Agreement, the provisions of this Agreement shall exclusively control.

13.8 Counterparts. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, is an original, and all taken together, constitute one Agreement.

13.9 Confidentiality. Agent and each Lender agrees to maintain the confidentiality of Information (as defined below), except that Information may be disclosed (a) to Agent and/or any Lender's subsidiaries or Affiliates, and their respective employees, directors, investors, potential investors, agents, attorneys, accountants and other professional advisors (collectively, "**Representatives**" and, together with Agent and the Lenders, collectively, "**Lender Entities**"); (b) to prospective transferees, assignees, credit providers or purchasers of any of Agent's or Lenders' interests under or in connection with this Agreement and their Representatives (provided, however, Agent and the Lenders shall use their best efforts to obtain any such prospective transferee's, assignee's, credit provider's, or purchaser's or their Representatives' agreement to the terms of this provision); (c) as required by law, regulation, subpoena, or other order; (d) to Agent's or any Lender's regulators or as otherwise required in connection with Agent's or any Lender's examination or audit; (e) as Agent or any Lender considers appropriate in exercising remedies under the Loan Documents; and (f) to third-party service providers of Agent and/or any Lender so long as such service providers have executed a confidentiality agreement with Agent or the Lenders, as applicable, with terms no less restrictive than those contained herein. The term "**Information**" means all information received from Borrower regarding Borrower or its business, in each case other than information that is either: (i) in the public domain or in Agent's or any Lender's possession when disclosed to Agent or such Lender, or becomes part of the public domain (other than as a result of its disclosure by Agent or a Lender in violation of this Agreement) after disclosure to Agent and/or the Lenders; or (ii) disclosed to Agent and/or a Lender by a third party, if Agent or such Lender, as applicable, does not know that the third party is prohibited from disclosing the information.

13.10 Attorneys' Fees, Costs and Expenses. In any action or proceeding among Borrower, Lender, and/or Agent arising out of or relating to the Loan Documents, the prevailing party shall be entitled to recover its reasonable attorneys' fees and other costs and expenses incurred, in addition to any other relief to which it may be entitled.

13.11 Right of Setoff. Borrower hereby grants to Agent, for the ratable benefit of the Lenders, a Lien, security interest, and a right of setoff as security for all Obligations to Agent and the Lenders, whether now existing or hereafter arising upon and against all deposits, credits, collateral and property, now or hereafter in the possession, custody, safekeeping or control of Agent or any entity under the control of Agent (including a subsidiary of Agent) or in transit to any of them. At any time after the occurrence and during the continuance of an Event of Default, without demand or notice, Agent or any Lender may setoff the same or any part thereof and apply the same to any Obligation of Borrower then due regardless of the adequacy of any other collateral securing the Obligations. ANY AND ALL RIGHTS TO REQUIRE AGENT OR ANY LENDER TO EXERCISE ITS RIGHTS OR REMEDIES WITH RESPECT TO ANY OTHER COLLATERAL WHICH SECURES THE OBLIGATIONS, PRIOR TO EXERCISING ITS RIGHT OF SETOFF WITH RESPECT TO SUCH DEPOSITS, CREDITS OR OTHER PROPERTY OF BORROWER, ARE HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVED.

13.12 Electronic Execution of Documents. The words "execution," "signed," "signature" and words of like import in any Loan Document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity and enforceability as a manually executed signature or the use of a paper-based recordkeeping systems, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, any state law based on the Uniform Electronic Transactions Act.

13.13 Captions. The headings used in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

13.14 Construction of Agreement. The parties mutually acknowledge that they and their attorneys have participated in the preparation and negotiation of this Agreement. In cases of uncertainty this Agreement shall be construed without regard to which of the parties caused the uncertainty to exist.

13.15 Relationship. The relationship of the parties to this Agreement is determined solely by the provisions of this Agreement. The parties do not intend to create any agency, partnership, joint venture, trust, fiduciary or other relationship with duties or incidents different from those of parties to an arm's-length contract.

13.16 Third Parties. Nothing in this Agreement, whether express or implied, is intended to: (a) confer any benefits, rights or remedies under or by reason of this Agreement on any persons other than the express parties

to it and their respective permitted successors and assigns; (b) relieve or discharge the obligation or liability of any person not an express party to this Agreement; or (c) give any person not an express party to this Agreement any right of subrogation or action against any party to this Agreement.

13.17 Patriot Act. Each Lender hereby notifies Borrower that pursuant to the requirements of the USA PATRIOT Act, it is required to obtain, verify and record information that identifies Borrower and each of its Subsidiaries, which information includes the names and addresses of Borrower and each of its Subsidiaries and other information that will allow Lender, as applicable, to identify Borrower and each of its Subsidiaries in accordance with the USA PATRIOT Act.

14 DEFINITIONS

14.1 Definitions. As used in the Loan Documents, the word "shall" is mandatory, the word "may" is permissive, the word "or" is not exclusive, the words "includes" and "including" are not limiting, the singular includes the plural, and numbers denoting amounts that are set off in brackets are negative. As used in this Agreement, the following capitalized terms have the following meanings:

"**Account**" is any "account" as defined in the Code with such additions to such term as may hereafter be made, and includes, without limitation, all accounts receivable and other sums owing to Borrower.

"**Account Debtor**" is any "account debtor" as defined in the Code with such additions to such term as may hereafter be made.

"**Affiliate**" is, with respect to any Person, each other Person that owns or controls directly or indirectly the Person, any Person that controls or is controlled by or is under common control with the Person, and each of that Person's senior executive officers, directors, partners and, for any Person that is a limited liability company, that Person's managers and members.

"**Agent**" is defined in the preamble hereof.

"**Agreement**" is defined in the preamble hereof.

"**Authorized Signer**" is any individual listed in Borrower's Borrowing Resolution who is authorized to execute the Loan Documents to which Borrower is party, including any Credit Extension request, on behalf of Borrower.

"**Axonics UK**" is Axonics Modulation Technologies, UK Limited, a company incorporated in England and Wales with registered number 10166891 whose registered office is at 14 Took's Court, London, England, EC4A 1LB and a wholly owned Subsidiary of Borrower.

"**Bank Services**" are any products, credit services, and/or financial accommodations previously, now, or hereafter provided to Borrower or any of its Subsidiaries by SVB or any SVB Affiliate, including, without limitation, any Letters of Credit, cash management services (including, without limitation, merchant services, direct deposit of payroll, business credit cards, and check cashing services), interest rate swap arrangements, and foreign exchange services as any such products or services may be identified in SVB's various agreements related thereto (each, a "**Bank Services Agreement**").

"**Bank Services Agreement**" is defined in the definition of Bank Services.

"**Board**" means Borrower's board of directors.

"**Borrower**" is defined in the preamble hereof.

"**Borrower's Books**" are all Borrower's books and records including ledgers, federal and state tax returns, records regarding Borrower's assets or liabilities, the Collateral, business operations or financial condition, and all computer programs or storage or any equipment containing such information.

"**Borrowing Resolutions**" are, with respect to any Person, those resolutions adopted by such Person's board of directors (and, if required under the terms of such Person's Operating Documents, stockholders) and delivered by such Person to Agent approving the Loan Documents to which such Person is a party and the transactions contemplated thereby, together with a certificate executed by its secretary on behalf of such Person certifying (a) such Person has the authority to execute, deliver, and perform its obligations under each of the Loan Documents to which it is a party, (b) that set forth as a part of or attached as an exhibit to such certificate is a true, correct, and complete copy of the resolutions then in full force and effect authorizing and ratifying the execution, delivery, and performance by such Person of the Loan Documents to which it is a party, (c) the name(s) of the Person(s) authorized to execute the Loan Documents, including any Credit Extension request, on behalf of such Person, together with a sample of the true signature(s) of such Person(s), and (d) that Agent and Lenders may conclusively rely on such certificate unless and until such Person shall have delivered to Agent and Lenders a further certificate canceling or amending such prior certificate.

"**Business Day**" is any day that is not a Saturday, Sunday or a day on which Agent is closed.

"**Cash Equivalents**" means (a) marketable direct obligations issued or unconditionally guaranteed by the United States or any agency or any State thereof having maturities of not more than one (1) year from the date of acquisition; (b) commercial paper maturing no more than one (1) year after its creation and having the highest rating from either Standard & Poor's Ratings Group or Moody's Investors Service, Inc.; (c) SVB's certificates of deposit issued maturing no more than one (1) year after issue; and (d) money market funds at least ninety-five percent (95%) of the assets of which constitute Cash Equivalents of the kinds described in clauses (a) through (c) of this definition.

"**Change in Control**" means (a) at any time, any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), shall become, or obtain rights (whether by means of warrants, options or otherwise) to become, the "beneficial owner" (as defined in Rules 13(d)-3 and 13(d)5 under the Exchange Act), directly or indirectly, of forty-nine percent (49%) or more of the ordinary voting power for the election of directors of Borrower (determined on a fully diluted basis) other than by the sale of Borrower's equity securities in a public offering or to venture capital or private equity investors so long as Borrower identifies to the Agent and the Lenders the venture capital or private equity investors at least seven (7) Business Days prior to the closing of the transaction and provides to Agent and the Lenders a description of the material terms of the transaction; (b) during any period of twelve (12) consecutive months, a majority of the members of the board of directors or other equivalent governing body of Borrower cease to be composed of individuals (i) who were members of that board or equivalent governing body on the first day of such period, (ii) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (i) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (iii) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (i) and (ii) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body; provided, that such clause (b) shall not be triggered by the change in persons appointed to the board of directors by an entity with the right to appoint a designee to the board of directors; or (c) at any time, Borrower shall cease to own and control, of record and beneficially, directly or indirectly, one hundred percent (100.0%) of each class of outstanding capital stock of each Subsidiary of Borrower free and clear of all Liens (except Liens created by this Agreement).

"**Claims**" is defined in Section 13.3.

"**Code**" is the Uniform Commercial Code, as the same may, from time to time, be enacted and in effect in the State of California; provided, that, to the extent that the Code is used to define any term herein or in any Loan Document and such term is defined differently in different Articles or Divisions of the Code, the definition of such term contained in Article or Division 9 shall govern; provided further, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection, or priority of, or remedies with respect to, Agent's Lien on any Collateral is governed by the Uniform Commercial Code in effect in a jurisdiction other than the State of California, the term "**Code**" shall mean the Uniform Commercial Code as enacted and in effect in such other

jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority, or remedies and for purposes of definitions relating to such provisions.

"**Collateral**" is any and all properties, rights and assets of Borrower described on Exhibit A.

"**Collateral Account**" is any Deposit Account, Securities Account, or Commodity Account.

"**Commitment**" and "**Commitments**" means the Term Loan Commitment(s).

"**Commodity Account**" is any "commodity account" as defined in the Code with such additions to such term as may hereafter be made.

"**Compliance Statement**" is that certain statement in the form attached hereto as Exhibit B.

"**Contingent Obligation**" is, for any Person, any direct or indirect liability, contingent or not, of that Person for (a) any indebtedness, lease, dividend, letter of credit or other obligation of another such as an obligation, in each case, directly or indirectly guaranteed, endorsed, comade, discounted or sold with recourse by that Person, or for which that Person is directly or indirectly liable; (b) any obligations for undrawn Letters of Credit for the account of that Person; and (c) all obligations from any interest rate, currency or commodity swap agreement, interest rate cap or collar agreement, or other agreement or arrangement designated to protect a Person against fluctuation in interest rates, currency exchange rates or commodity prices; but "Contingent Obligation" does not include endorsements in the ordinary course of business. The amount of a Contingent Obligation is the stated or determined amount of the primary obligation for which the Contingent Obligation is made or, if not determinable, the maximum reasonably anticipated liability for it determined by the Person in good faith; but the amount may not exceed the maximum of the obligations under any guarantee or other support arrangement.

"**Control Agreement**" is any control agreement entered into among the depository institution at which Borrower maintains a Deposit Account or the securities intermediary or commodity intermediary at which Borrower maintains a Securities Account or a Commodity Account, Borrower, and Agent pursuant to which Agent obtains control (within the meaning of the Code) for the benefit of the Lenders over such Deposit Account, Securities Account, or Commodity Account.

"**Control Agreement Transition Period**" is defined in Section 6.13(a).

"**Contura Acquisition**" means the acquisition by Axonics UK of the whole of the issued share capital of Contura Limited as fully set forth in the Contura Sale and Purchase Agreement.

"**Contura Limited**" means CONTURA LIMITED, a company incorporated in England and Wales with registered number 10166891 whose registered office is at 14 Took's Court, London, England, EC4A 1LB.

"**Contura Sale and Purchase Agreement**" means that certain Agreement relating to the sale and purchase of the whole of the issued share capital of Contura Limited dated as of February 25, 2021 by and among Axonics UK, Borrower and Contura Holdings Limited, a company incorporated in England and Wales.

"**Copyrights**" are any and all copyright rights, copyright applications, copyright registrations and like protections in each work of authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret.

"**Credit Extension**" is any Term Loan Advance, Letter of Credit, FX Contract, amount utilized for cash management services or any other extension of credit by any Lender for Borrower's benefit.

"**Default Rate**" is defined in Section 2.2(b).

"**Defaulting Lender**" is, subject to Section 10.10(b), any Lender that (a) has failed to (i) fund all or any portion of its Term Loan Advance within two (2) Business Days of the date such Term Loan Advance was required

to be funded hereunder unless such Lender notifies Agent and Borrower in writing that such failure is the result of such Lender's reasonable determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to Agent or any other Lender any other amount required to be paid by it hereunder within two (2) Business Days of the date when due, (b) has notified Borrower or Agent in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Term Loan Advance hereunder and states that such position is based on such Lender's reasonable determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three (3) Business Days after written request by Agent or Borrower, to confirm in writing to Agent and Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by Agent and Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of an Insolvency Proceeding, or (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 10.10(b)) upon delivery of written notice of such determination to Borrower and each Lender.

"**Deposit Account**" is any "deposit account" as defined in the Code with such additions to such term as may hereafter be made.

"**Designated Deposit Account**" is the multicurrency account denominated in Dollars, account number xxx-xxxx-020, maintained by Borrower with SVB.

"**Disbursement Letter**" is that certain form attached hereto as Exhibit D.

"**Division**" means, in reference to any Person which is an entity, the division of such Person into two (2) or more separate Persons, with the dividing Person either continuing or terminating its existence as part of such division, including, without limitation, as contemplated under Section 18 217 of the Delaware Limited Liability Company Act for limited liability companies formed under Delaware law, or any analogous action taken pursuant to any other applicable law with respect to any corporation, limited liability company, partnership or other entity.

"**Dollar Equivalent**" is, at any time, (a) with respect to any amount denominated in Dollars, such amount, and (b) with respect to any amount denominated in a Foreign Currency, the equivalent amount therefor in Dollars as determined by Agent at such time on the basis of the then-prevailing rate of exchange in San Francisco, California, for sales of the Foreign Currency for transfer to the country issuing such Foreign Currency.

"**Dollars**," "**dollars**" or use of the sign "**$**" means only lawful money of the United States and not any other currency, regardless of whether that currency uses the "$" sign to denote its currency or may be readily converted into lawful money of the United States.

"**Domestic Subsidiary**" means a Subsidiary organized under the laws of the United States or any state or territory thereof or the District of Columbia.

"**Effective Date**" is defined in the preamble hereof.

"**Equipment**" is all "equipment" as defined in the Code with such additions to such term as may hereafter be made, and includes without limitation all machinery, fixtures, goods, vehicles (including motor vehicles and trailers), and any interest in any of the foregoing.

"**ERISA**" is the Employee Retirement Income Security Act of 1974, and its regulations.

"**Event of Default**" is defined in Section 8.

"**Exchange Act**" is the Securities Exchange Act of 1934, as amended.

"**Federal Funds Effective Rate**" means, for any day, the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average of the quotations for the day of such transactions received by SVB from three federal funds brokers of recognized standing selected by it.

"**Final Payment**" is a payment (in addition to and not in substitution for the regular monthly payments of principal plus accrued interest) equal to the original principal amount of the Term Loan Advance extended by the Lenders to Borrower hereunder multiplied by six percent (6.00%), due on the earliest to occur of (a) the Term Loan Maturity Date, (b) the payment in full of the Term Loan Advance, (c) as required by Section 2.1.1(d) or 2.1.1(e), or (d) the termination of this Agreement.

"**Financial Statement Repository**" is SWLSReporting@svb.com or such other means of collecting information approved and designated by Agent or a Lender after providing notice thereof to Borrower from time to time.

"**Foreign Currency**" means lawful money of a country other than the United States.

"**Foreign Subsidiary**" means any Subsidiary which is not a Domestic Subsidiary.

"**Funding Date**" is any date on which a Credit Extension is made to or for the account of Borrower which shall be a Business Day.

"**FX Contract**" is any foreign exchange contract by and between Borrower and SVB under which Borrower commits to purchase from or sell to SVB a specific amount of Foreign Currency on a specified date.

"**GAAP**" is generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other Person as may be approved by a significant segment of the accounting profession, which are applicable to the circumstances as of the date of determination.

"**General Intangibles**" is all "general intangibles" as defined in the Code in effect on the date hereof with such additions to such term as may hereafter be made, and includes without limitation, all Intellectual Property, claims, income and other tax refunds, security and other deposits, payment intangibles, contract rights, options to purchase or sell real or personal property, rights in all litigation presently or hereafter pending (whether in contract, tort or otherwise), insurance policies (including without limitation key man, property damage, and business interruption insurance), payments of insurance and rights to payment of any kind.

"**Governmental Approval**" is any consent, authorization, approval, order, license, franchise, permit, certificate, accreditation, registration, filing or notice, of, issued by, from or to, or other act by or in respect of, any Governmental Authority.

"**Governmental Authority**" is any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive,

legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, any securities exchange and any self-regulatory organization.

"**Group Member**" means Borrower and its Subsidiaries.

"**Guarantor**" is any Person providing a Guaranty in favor of Lenders.

"**Guaranty**" is any guarantee of all or any part of the Obligations, as the same may from time to time be amended, restated, modified or otherwise supplemented.

"**Indebtedness**" is (a) indebtedness for borrowed money or the deferred price of property or services, such as reimbursement and other obligations for surety bonds and Letters of Credit, (b) obligations evidenced by notes, bonds, debentures or similar instruments, (c) capital lease obligations, and (d) Contingent Obligations.

"**Indemnified Person**" is defined in Section 13.3.

"**Information**" is defined in Section 13.9.

"**Insolvency Proceeding**" is any proceeding by or against any Person under the United States Bankruptcy Code, or any other bankruptcy or insolvency law, including assignments for the benefit of creditors, compositions, extensions generally with its creditors, or proceedings seeking reorganization, arrangement, or other relief.

"**Intellectual Property**" means, with respect to any Person, all of such Person's right, title, and interest in and to the following:

(a) its Copyrights, Trademarks and Patents;

(b) any and all trade secrets and trade secret rights, including, without limitation, any rights to unpatented inventions, know-how and operating manuals;

(c) any and all source code;

(d) any and all design rights which may be available to such Person;

(e) any and all claims for damages by way of past, present and future infringement of any of the foregoing, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the Intellectual Property rights identified above; and

(f) all amendments, renewals and extensions of any of the Copyrights, Trademarks or Patents.

"**Inventory**" is all "inventory" as defined in the Code in effect on the date hereof with such additions to such term as may hereafter be made, and includes without limitation all merchandise, raw materials, parts, supplies, packing and shipping materials, work in process and finished products, including without limitation such inventory as is temporarily out of Borrower's custody or possession or in transit and including any returned goods and any documents of title representing any of the above.

"**Investment**" is any beneficial ownership interest in any Person (including stock, partnership interest or other securities), and any loan, advance or capital contribution to any Person.

"**Key Person**" is each of Borrower's (a) Chief Executive Officer, who is Raymond Cohen as of the Effective Date, and (b) President and Chief Financial Officer, who is Dan Dearen as of the Effective Date.

"**Lender**" and "**Lenders**" is defined in the preamble.

"**Lender Entities**" is defined in Section 13.9.

"**Lender Intercreditor Agreement**" is, collectively, any and all intercreditor agreement, master arrangement agreement or similar agreement by and between SVB Capital (f/k/a Westriver Innovation Lending Fund VIII, L.P.) and SVB, as each may be amended from time to time in accordance with the provisions thereof.

"**Lenders' Expenses**" are all of Agent's and the Lenders' reasonable, documented, out-of-pocket, audit fees and expenses, costs, and expenses (including reasonable attorneys' fees and expenses) for preparing, amending, negotiating, administering, defending and enforcing the Loan Documents (other than the Lender Intercreditor Agreement, but including, without limitation, those incurred in connection with appeals or Insolvency Proceedings) or otherwise incurred with respect to Borrower.

"**Letter of Credit**" is a standby or commercial letter of credit issued by SVB upon request of Borrower based upon an application, guarantee, indemnity, or similar agreement.

"**Lien**" is a claim, mortgage, deed of trust, levy, charge, pledge, security interest or other encumbrance of any kind, whether voluntarily incurred or arising by operation of law or otherwise against any property.

"**Liquidity**" is, at any time, the sum of (a) the aggregate amount of unrestricted cash and Cash Equivalents maintained by Borrower at SVB and in other accounts where SVB has a perfected security interest (via a Control Agreement or other similar agreement) in the cash/Cash Equivalents in such accounts, *plus* (b) Borrower's net Accounts receivable.

"**Loan Documents**" are, collectively, this Agreement and any schedules, exhibits, certificates, notices, and any other documents related to this Agreement, the Perfection Certificate, each Disbursement Letter, the Lender Intercreditor Agreement, any Bank Services Agreement, any Control Agreement, any subordination agreement, any note, or notes or guaranties executed by Borrower or any Guarantor, and any other present or future agreement by Borrower and/or any Guarantor with or for the benefit of Agent and the Lenders in connection with this Agreement or Bank Services, all as amended, restated, or otherwise modified.

"**Material Adverse Change**" is: (a) a material impairment in the perfection or priority of Agent's, for the ratable benefit of the Lenders, Lien in the Collateral or in the value of such Collateral; (b) a material adverse change in the business, operations, or condition (financial or otherwise) of Borrower; or (c) a material impairment of the prospect of repayment of any portion of the Obligations.

"**Material Subsidiary**" is any Subsidiary of Borrower whose (a) revenues for the most recently ended four (4) quarter period for which financial statements are available exceed One Million Dollars ($1,000,000) or (b) whose Cash and other liquid assets exceed Five Hundred Thousand Dollars ($500,000).

"**Obligations**" are Borrower's obligations to pay when due any debts, principal, interest, fees, Lenders' Expenses, the Final Payment, the Prepayment Premium, and other amounts Borrower owes Agent or any Lender now or later, whether under this Agreement, the other Loan Documents to which it is a party, or otherwise, including, without limitation, all obligations relating to Bank Services, if any, and including interest accruing after Insolvency Proceedings begin and debts, liabilities, or obligations of Borrower assigned to Agent and/or the Lenders, and to perform Borrower's duties under the Loan Documents.

"**Operating Documents**" are, for any Person, such Person's formation documents, as certified by the Secretary of State (or equivalent agency) of such Person's jurisdiction of organization on a date that is no earlier than thirty (30) days prior to the Effective Date, and, (a) if such Person is a corporation, its bylaws in current form, (b) if such Person is a limited liability company, its limited liability company agreement (or similar agreement), and (c) if such Person is a partnership, its partnership agreement (or similar agreement), each of the foregoing with all current amendments or modifications thereto.

"**Patents**" means all patents, patent applications and like protections including without limitation improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same.

"**Payment/Advance Form**" is that certain form attached hereto as Exhibit C.

"**Payment Date**" is the first (1st) calendar day of each month.

"**Perfection Certificate**" is defined in Section 5.1.

"**Permitted Indebtedness**" is:

(a) Borrower's Indebtedness to Agent and the Lenders under this Agreement, and the other Loan Documents;

(b) Indebtedness existing on the Effective Date which is shown on the Perfection Certificate;

(c) Subordinated Debt;

(d) unsecured Indebtedness to trade creditors incurred in the ordinary course of business;

(e) Indebtedness incurred as a result of endorsing negotiable instruments received in the ordinary course of business;

(f) Indebtedness secured by Liens permitted under clauses (a) and (c) of the definition of "Permitted Liens" hereunder;

(g) unsecured Indebtedness of Foreign Subsidiaries incurred on business credit cards in an amount not to exceed One Hundred Thousand Dollars ($100,000) at any time;

(h) Indebtedness between Borrower, any co-Borrower and any Guarantor;

(i) Indebtedness between Borrower and any Foreign Subsidiary that is not a co-Borrower or Guarantor; provided that the amount of such Indebtedness shall not exceed One Million Dollars ($1,000,000) in the aggregate at any one time;

(j) Indebtedness between Foreign Subsidiaries that are not co-Borrowers or Guarantors;

(k) a one (1) time loan by Borrower to Axonics UK not to exceed One Hundred Forty-One Million Two Hundred Fifty Thousand Dollars ($141,250,000) to be used to consummate the Contura Acquisition; and

(l) extensions, refinancings, modifications, amendments and restatements of any items of Permitted Indebtedness (b) above; provided that the principal amount thereof is not increased or the terms thereof are not modified to impose more burdensome terms upon Borrower or its Subsidiary, as the case may be.

"**Permitted Investments**" are:

(a) Investments (including, without limitation, Subsidiaries) existing on the Effective Date which are shown on the Perfection Certificate or Subsidiaries formed after the Effective Date for which Agent has provided consent pursuant to Section 7.7;

(b) Investments consisting of Cash Equivalents;

(c) Investments consisting of the endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of Borrower;

(d) Investments consisting of deposit accounts, Securities Accounts or Commodity Accounts in which Agent, for the benefit of the Lenders, after the date set forth in Section 6.13(b), has a perfected security interest;

(e) Investments accepted in connection with Transfers permitted by Section 7.1;

(f) Investments consisting of the creation of a Subsidiary for the purpose of consummating a merger transaction permitted by Section 7.3 of this Agreement, which is otherwise a Permitted Investment;

(g) Investments (i) by Borrower, any co-Borrower or any Guarantor in Foreign Subsidiaries which are not co-Borrowers or Guarantors not to exceed One Million Dollars ($1,000,000) in the aggregate in any fiscal year, (ii) by Subsidiaries that are not co-Borrowers or Guarantors hereunder in other Subsidiaries that are not co-Borrower or Guarantors hereunder or in Borrower, and (iii) by Borrower, any co-Borrower or any Guarantor in any co-Borrower or Guarantor;

(h) a one (1) time Investment by Borrower in Axonics UK not to exceed One Hundred Forty-One Million Two Hundred Fifty Thousand Dollars ($141,250,000) to be used to consummate the Contura Acquisition;

(i) Investments consisting of (i) travel advances and employee relocation loans and other employee loans and advances in the ordinary course of business, and (ii) loans to employees, officers or directors relating to the purchase of equity securities of Borrower or its Subsidiaries pursuant to employee stock purchase plans or agreements approved by the Board;

(j) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of customers or suppliers and in settlement of delinquent obligations of, and other disputes with, customers or suppliers arising in the ordinary course of business; and

(k) Investments consisting of notes receivable of, or prepaid royalties and other credit extensions, to customers and suppliers who are not Affiliates, in the ordinary course of business; provided that this paragraph (j) shall not apply to Investments of Borrower in any Subsidiary.

"**Permitted Liens**" are:

(a) Liens existing on the Effective Date which are shown on the Perfection Certificate or arising under this Agreement and the other Loan Documents;

(b) Liens for taxes, fees, assessments or other government charges or levies, either (i) not due and payable or (ii) being contested in good faith and for which Borrower maintains adequate reserves on Borrower's Books, provided that no notice of any such Lien has been filed or recorded under the Internal Revenue Code of 1986, as amended, and the Treasury Regulations adopted thereunder;

(c) purchase money Liens (i) on Equipment acquired or held by Borrower incurred for financing the acquisition of the Equipment securing no more than One Million Dollars ($1,000,000) in the aggregate amount outstanding, or (ii) existing on Equipment when acquired, if the Lien is confined to the property and improvements and the proceeds of the Equipment;

(d) Liens of carriers, warehousemen, suppliers, or other Persons that are possessory in nature arising in the ordinary course of business so long as such Liens attach only to Inventory, securing liabilities in the aggregate amount not to exceed One Million Dollars ($1,000,000) and which are not delinquent or remain payable without penalty or which are being contested in good faith and by appropriate proceedings which proceedings have the effect of preventing the forfeiture or sale of the property subject thereto;

(e) Liens to secure payment of workers' compensation, employment insurance, old-age pensions, social security and other like obligations incurred in the ordinary course of business (other than Liens imposed by ERISA);

(f) Liens incurred in the extension, renewal or refinancing of the indebtedness secured by Liens described in (a) through (c), but any extension, renewal or replacement Lien must be limited to the property encumbered by the existing Lien and the principal amount of the indebtedness may not increase;

(g) leases or subleases of real property granted in the ordinary course of Borrower's business (or, if referring to another Person, in the ordinary course of such Person's business), and leases, subleases, non-exclusive licenses or sublicenses of personal property (other than Intellectual Property) granted in the ordinary course of Borrower's business (or, if referring to another Person, in the ordinary course of such Person's business), if the leases, subleases, licenses and sublicenses do not prohibit granting Agent a security interest therein;

(h) non-exclusive licenses of Intellectual Property granted to third parties in the ordinary course of business;

(i) Liens arising from attachments or judgments, orders, or decrees in circumstances not constituting an Event of Default under Sections 8.4 and 8.7; and

(j) Liens in favor of other financial institutions arising in connection with Borrower's deposit and/or securities accounts held at such institutions, provided that Agent has a first-priority perfected security interest in the amounts held in such deposit and/or securities accounts.

"**Person**" is any individual, sole proprietorship, partnership, limited liability company, joint venture, company, trust, unincorporated organization, association, corporation, institution, public benefit corporation, firm, joint stock company, estate, entity or government agency.

"**Prepayment Premium**" shall be an additional fee, payable to Agent, for the ratable benefit of the Lenders based on their Pro Rata Share, with respect to the Term Loan Advance, in an amount equal to:

(a) for a prepayment of the Term Loan Advance made on or prior to the first (1st) anniversary of the Effective Date, two percent (2.00%) of the then outstanding principal amount of the Term Loan Advance immediately prior to the date of such prepayment;

(b) for a prepayment of the Term Loan Advance made after the first (1st) anniversary of the Effective Date, but prior to the Term Loan Maturity Date, one percent (1.00%) of the then outstanding principal amount of the Term Loan Advance immediately prior to the date of such prepayment.

"**Prime Rate**" is the rate of interest per annum from time to time published in the money rates section of The Wall Street Journal or any successor publication thereto as the "prime rate" then in effect; provided that, in the event such rate of interest is less than zero, such rate shall be deemed to be zero for purposes of this Agreement; and provided further that if such rate of interest, as set forth from time to time in the money rates section of The Wall Street Journal, becomes unavailable for any reason as determined by Agent, the "Prime Rate" shall mean the rate of interest per annum announced by SVB as its prime rate in effect at its principal office in the State of California (such SVB announced Prime Rate not being intended to be the lowest rate of interest charged by SVB in connection with extensions of credit to debtors); provided that, in the event such rate of interest is less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"**Pro Rata Share**" is, as of any date of determination, with respect to each Lender, a percentage (expressed as a decimal, rounded to the ninth decimal place) determined by *dividing* the outstanding principal amount of the Term Loan Advance held by such Lender *by* the aggregate outstanding principal amount of the Term Loan Advance.

"**Quarterly Financial Statements**" is defined in Section 6.2(a).

"**Registered Organization**" is any "registered organization" as defined in the Code with such additions to such term as may hereafter be made.

"**Removal Effective Date**" is defined in Section 10.10(d).

"**Representatives**" is defined in Section 13.9.

"**Requirement of Law**" is as to any Person, the organizational or governing documents of such Person, and any law (statutory or common), treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"**Responsible Officer**" is any of the Chief Executive Officer, President and Chief Financial Officer of Borrower.

"**Restricted License**" is any material license or other agreement with respect to which Borrower is the licensee (a) that prohibits or otherwise restricts Borrower from granting a security interest in, or a fixed or floating charge over, Borrower's interest in such license or agreement or any other property, or (b) for which a default under or termination of could interfere with the Agent's right to sell any Collateral.

"**Revenue**" means revenue (determined in accordance with GAAP) of Borrower, but specifically excluding any revenue earned from any Subsidiary of Borrower (including but not limited to Contura Limited or any of its Subsidiaries).

"**SEC**" shall mean the Securities and Exchange Commission, any successor thereto, and any analogous Governmental Authority.

"**Securities Account**" is any "securities account" as defined in the Code with such additions to such term as may hereafter be made.

"**Subordinated Debt**" is indebtedness incurred by Borrower subordinated to all of Borrower's now or hereafter indebtedness to Agent and the Lenders (pursuant to a subordination, intercreditor, or other similar agreement in form and substance satisfactory to Agent and the Lenders, entered into between Agent, the Lenders and the other creditor), on terms acceptable to Agent and the Lenders.

"**Subsidiary**" is, as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person. Unless the context otherwise requires, each reference to a Subsidiary herein shall be a reference to a Subsidiary of Borrower.

"**SVB**" is defined in the preamble hereof.

"**SVB Capital**" is defined in the preamble hereof.

"**Term Loan Advance**" is defined in Section 2.1.1(a).

"**Term Loan Commitment**" means, for any Lender, the obligation of such Lender to make a Term Loan Advance as and when available, up to the principal amount shown on Schedule 1. "**Term Loan Commitments**" means the aggregate amount of such commitments of all Lenders.

"**Term Loan Commitment Percentage**" means, as to any Lender at any time, the percentage (carried out to the fourth decimal place) of the Term Loan Commitments represented by such Lender's Term Loan Commitment

at such time. The initial Term Loan Commitment Percentage of each Lender is set forth opposite the name of such Lender on Schedule 1.

"**Term Loan Maturity Date**" is February 1, 2024.

"**Trademarks**" means any trademark and servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Borrower connected with and symbolized by such trademarks.

"**Transfer**" is defined in Section 7.1.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date.

BORROWER:

AXONICS MODULATION TECHNOLOGIES, INC.

By:_/s/ Raymond Cohen_____

Name: Raymond Cohen

Title: Chief Executive Officer

AGENT:

SILICON VALLEY BANK, as Agent

By:_/s/ Milo Bissin_____

Name: Milo Bissin

Title: Director

LENDERS:

SILICON VALLEY BANK, as Lender

By: _/s/ Milo Bissin_____

Name: Milo Bissin

Title: Director

SVB INNOVATION CREDIT FUND VIII, L.P., as Lender
By: SVB Innovation Credit Partners VIII, LLC, a
Delaware limited liability company, its General
Partner

By:_/s/ Ryan Grammer_____

Name: Ryan Grammer

Title:Senior Managing Director

SCHEDULE 1

LENDERS AND COMMITMENTS

Lender	**Term Advance Commitment**	**Term Loan Advance Commitment Percentage**
Silicon Valley Bank	$37,500,000	50.0000%
SVB Innovation Credit Fund VIII, L.P.	$37,500,000	50.0000%
TOTAL	**$75,000,000**	**100.0000%**

EXHIBIT A

COLLATERAL DESCRIPTION

The Collateral consists of all of Borrower's right, title and interest in and to the following personal property:

All goods, Accounts (including health-care receivables), Equipment, Inventory, contract rights or rights to payment of money, leases, license agreements, franchise agreements, General Intangibles (except as provided below), commercial tort claims, documents, instruments (including any promissory notes), chattel paper (whether tangible or electronic), cash, deposit accounts, certificates of deposit, fixtures, letters of credit rights (whether or not the letter of credit is evidenced by a writing), securities, and all other investment property, supporting obligations, and financial assets, whether now owned or hereafter acquired, wherever located; and

All Borrower's Books relating to the foregoing and any and all claims, rights and interests in any of the above and all substitutions for, additions, attachments, accessories, accessions and improvements to and replacements, products, proceeds and insurance proceeds of any or all of the foregoing.

Notwithstanding the foregoing, the Collateral does not include (a) any Intellectual Property; provided, however, the Collateral shall include all Accounts and all proceeds of Intellectual Property. If a judicial authority (including a U.S. Bankruptcy Court) would hold that a security interest in the underlying Intellectual Property is necessary to have a security interest in such Accounts and such property that are proceeds of Intellectual Property, then the Collateral shall automatically, and effective as of the Effective Date, include the Intellectual Property to the extent necessary to permit perfection of Agent's, for the ratable benefit of the Lenders, security interest in such Accounts and such other property of Borrower that are proceeds of the Intellectual Property, (b) more than sixty-five (65%) of the presently existing and hereafter arising issued and outstanding shares of capital stock owned by Borrower of any Foreign Subsidiary (excluding any Foreign Subsidiary that is a Material Subsidiary) which shares entitle the holder thereof to vote for directors or any other matter, and (c) any interest of Borrower as a lessee or sublessee under a real property lease or an Equipment lease if Borrower is prohibited by the terms of such lease from granting a security interest in such lease or under which such an assignment or Lien would cause a default to occur under such lease (but only to the extent that such prohibition is enforceable under all applicable laws including, without limitation, the Code); provided, however, that upon termination of such prohibition, such interest shall immediately become Collateral without any action by Borrower or the Lenders.

Pursuant to the terms of a certain negative pledge arrangement with Agent and the Lenders, Borrower has agreed not to encumber any of its Intellectual Property without Agent and the Lenders' prior written consent.

EXHIBIT B

COMPLIANCE STATEMENT

Date: _____

TO: SILICON VALLEY BANK ("**SVB**"), as Agent, SVB, and SVB INNOVATION CREDIT FUND VIII, L.P., as Lender
FROM: AXONICS MODULATION TECHNOLOGIES, INC.

Under the terms and conditions of the Loan and Security Agreement among Borrower, Agent, and Lenders (the "**Agreement**") (1) Borrower is in complete compliance for the period ending _____ with all required covenants except as noted below. Attached are the required documents evidencing such compliance, setting forth calculations prepared in accordance with GAAP consistently applied from one period to the next except as explained in an accompanying letter or footnotes. Capitalized terms used but not otherwise defined herein shall have the meanings given them in the Agreement.

Please indicate compliance status by circling Yes/No under "Complies" column.

Reporting Covenants	**Required**	**Complies**
Quarterly Financial Statements with Compliance Statement	Quarterly within 45 days (within 90 days for the 4th calendar quarter of each year)	Yes No
Annual financial statement (CPA Audited)	FYE within 180 days	Yes No
10Q, 10K and 8-K	Within 5 days after filing with SEC	Yes No
Board Projections	Annually within 30 days of FYE, and as amended/updated by Board approval	Yes No
Monthly Asset Management Account Statements	Monthly within 30 days	Yes No

Financial Covenant	**Required**	**Actual**	**Complies**
Minimum Revenue* (measured on a trailing 3-month basis)	See Schedule 1	$_____	Yes No
**For any calendar quarter during which Borrower's Liquidity falls below One Hundred Fifty Million Dollars ($150,000,000) at any time during such quarter, Borrower shall achieve Revenue (measured on a trailing three (3) month basis) of not less than the amount set forth in the table below for the corresponding measuring period.*			

Other Matters

Have there been any amendments of or other changes to the capitalization table of Borrower and to the Operating Documents of Borrower or any of its Subsidiaries? If yes, provide copies of any such amendments or changes with this Compliance Statement.	Yes	No

The following financial covenant analysis and information set forth in Schedule 1 attached hereto are true and accurate as of the date of this Compliance Statement.

The following are the exceptions with respect to the statements above: (If no exceptions exist, state “No exceptns to note.”)

Schedule 1 to Compliance Statement

Financial Covenants of Borrower

In the event of a conflict between this Schedule and the Loan Agreement, the terms of the Loan Agreement shall govern.

Dated: _____

I. Minimum Revenue (Section 6.7)

Borrower shall achieve Revenue (measured on a trailing three (3) month basis), tested quarterly as of the last day of each calendar quarter, of at least the following amounts for the corresponding measuring periods:

Measuring Period Ending	Minimum Trailing-3 Month Revenue
March 31, 2021	$20,000,000
June 30, 2021	$30,000,000
September 30, 2021	$34,000,000
December 31, 2021	$44,000,000
Each calendar quarter thereafter through the Term Loan Maturity Date	115% of Borrower's actual Revenue for the same quarterly measuring period in the prior calendar year

Actual:

Did Borrower achieve Revenue (measured on a trailing three (3) month basis) of at least the amount set forth in the chart above for the corresponding measuring period?

_____ No, not in compliance **_____ Yes, in compliance**

EXHIBIT C

LOAN PAYMENT/ADVANCE REQUEST FORM

Fax To: Date: _____

Loan Payment: AXONICS MODULATION TECHNOLOGIES, INC.

From Account #_____ To Account #_____
(Deposit Account #) (Loan Account #)
Principal $_____ and/or Interest $_____

Authorized Signature:__ Phone Number: __
Print Name/Title: __

Loan Advance:

Complete *Outgoing Wire Request* section below if all or a portion of the funds from this loan advance are for an outgoing wire.

From Account #_____ To Account #_____
(Loan Account #) (Deposit Account #)

Amount of Term Loan Advance $_____

All Borrower's representations and warranties in the Loan and Security Agreement are true, correct and complete in all material respects on the date of the request for an advance:

Authorized Signature:__ Phone Number: __
Print Name/Title: __

Outgoing Wire Request:
Complete only if all or a portion of funds from the loan advance above is to be wired.
Deadline for same day processing is noon, Eastern Time

Beneficiary Name: _____ Amount of Wire: $__
Beneficiary Bank: _____ Account Number: __
City and State: __

Beneficiary Bank Transit (ABA) #: __ Beneficiary Bank Code (Swift, Sort, Chip, etc.): __
(For International Wire Only)

Intermediary Bank: __ Transit (ABA) #: __
For Further Credit to: __

Special Instruction: __

By signing below, I (we) acknowledge and agree that my (our) funds transfer request shall be processed in accordance with and subject to the terms and conditions set forth in the agreements(s) covering funds transfer service(s), which agreements(s) were previously received and executed by me (us).

Authorized Signature: _____ 2nd Signature (if required): _____
Print Name/Title: _____ Print Name/Title: _____
Telephone #: _____ Telephone #: _____

EXHIBIT D

Form of Disbursement Letter

[see attached]

DISBURSEMENT LETTER

[DATE]

The undersigned, being an Authorized Signer of **AXONICS MODULATION TECHNOLOGIES, INC.**, a Delaware corporation ("**Borrower**"), does hereby certify to (a) **SILICON VALLEY BANK**, a California corporation ("**SVB**"), in its capacity as administrative agent and collateral agent ("**Agent**"), (b) **SVB**, as a lender, (c) **SVB INNOVATION CREDIT FUND VIII, L.P.**, a Delaware limited partnership ("**SVB Capital**"), as a lender (SVB and SVB Capital and each of the other "Lenders" from time to time a party hereto are referred to herein collectively as the "**Lenders**" and each individually as a "**Lender**") in connection with that certain Loan and Security Agreement dated as of February 25, 2021, by and among Borrower, Agent and the Lenders from time to time party thereto (the "**Loan Agreement**"; with other capitalized terms used below having the meanings ascribed thereto in the Loan Agreement) that:

1. The representations and warranties made by Borrower in Section 5 of the Loan Agreement and in the other Loan Documents are true and correct in all material respects as of the date hereof.

2. No event or condition has occurred that would constitute an Event of Default under the Loan Agreement or any other Loan Document.

3. Borrower is in compliance with the covenants and requirements contained in Sections 4, 6 and 7 of the Loan Agreement in all material respects.

4. All conditions referred to in Section 3 of the Loan Agreement to the making of a Credit Extension to be made on or about the date hereof have been satisfied or waived by Agent.

5. There has not been any material impairment in the general affairs, management, results of operation, financial condition or the prospect of repayment of the Obligations, nor any material adverse deviation by Borrower from the most recent business plan of Borrower presented to and accepted by Agent and the Lenders.

6. The undersigned is an Authorized Signer.

[Balance of Page Intentionally Left Blank]

7A. The proceeds of the Term Loan Advance shall be disbursed as follows:

Disbursement from SVB:

Loan Amount	$_____
Plus:	
Deposit Received	$_____
Less:	
Commitment Fee	($_____)
[--Existing Debt Payoff to [PAYOFF BANK]	($_____)]
[Interim Interest]	($_____)
Lenders' Legal Fees	($_____)*
Net Proceeds due from SVB:	**$_____**

Disbursement from SVB Capital:

Loan Amount	$_____
Plus:	
Deposit Received	$_____
Less:	
Commitment Fee	($_____)
[Interim Interest]	($_____)
Net Proceeds due from SVB Capital:	**$_____**

TOTAL TERM LOAN ADVANCE

NET PROCEEDS FROM LENDERS **$_____**

7B. Funds from Borrower's Designated Deposit Account shall be disbursed as follows:

SVB:

Term Loan Fees $_____

Lenders' Legal Fees $_____

SVB Capital: *Designated Deposit Account: xxx-xxx-020*

Term Loan Fees $_____

Funds due from Borrower ("**Total Funds**") **$_____**

[Balance of Page Intentionally Left Blank]

8A. The aggregate net proceeds of the Term Loan Advance shall be transferred to the Borrower's Designated Deposit Account as follows:

Account Name:	Axonics Modulation Technologies, Inc.
Bank Name:	Silicon Valley Bank
Bank Address:	3003 Tasman Drive Santa Clara, California 95054
Account Number:	xxx-xxxx-020
ABA Number:	121140399

8B. Borrower authorized SVB to debit the Total Funds from the Borrower's Designated Deposit Account set forth below:

Account Name:	Axonics Modulation Technologies, Inc.
Bank Name:	Silicon Valley Bank
Bank Address:	3003 Tasman Drive Santa Clara, California 95054
Account Number:	xxx-xxxx-020
ABA Number:	121140399

[*Balance of Page Intentionally Left Blank*]

Dated as of the date first set forth above.

BORROWER:
AXONICS MODULATION TECHNOLOGIES, INC.

By:_____
Name:_____
Title:_____

AGENT:
SILICON VALLEY BANK

By:_____
Name:_____
Title:_____

LENDER:
SILICON VALLEY BANK

By:_____
Name:_____
Title:_____

LENDER:

SVB INNOVATION CREDIT FUND VIII, L.P., as Lender
By: SVB Innovation Credit Partners VIII, LLC, a
Delaware limited liability company, its General
Partner

By:_____
Name:_____
Title:_____

Exhibit 31.1

I, Raymond W. Cohen, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Axonics, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2021

By: /s/ Raymond W. Cohen

Raymond W. Cohen

Chief Executive Officer and Director

(Principal Executive Officer)

Exhibit 31.2

I, Dan L. Dearen, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Axonics, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2021

By: /s/ Dan L. Dearen

Dan L. Dearen

President and Chief Financial Officer

(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Axonics, Inc. (the "Company") on Form 10-Q for the quarterly period ended March 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2021

By: /s/ Raymond W. Cohen
Raymond W. Cohen
Chief Executive Officer and Director
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to Axonics, Inc. and will be retained by Axonics, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Axonics, Inc. (the "Company") on Form 10-Q for the quarterly period ended March 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2021

By: /s/ Dan L. Dearen
Dan L. Dearen
President and Chief Financial Officer
(Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to Axonics, Inc. and will be retained by Axonics, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.