

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

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

Date of Report (Date of earliest event reported): **September 21, 2016**

T2 BIOSYSTEMS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

001-36571
(Commission
File Number)

20-4827488
(IRS Employer
Identification Number)

101 Hartwell Avenue, Lexington, Massachusetts 02421
(Address of principal executive offices, including Zip Code)

(781) 761-4646
(Registrant's telephone number, including area code)

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.

On September 21, 2016, T2 Biosystems, Inc., a Delaware corporation (the "Company"), entered into a (a) Stock Purchase Agreement (the "Purchase Agreement"), (b) Voting and Standstill Agreement (the "Voting and Standstill Agreement") and (c) Registration Rights Agreement (the "Registration Rights Agreement" and, together with the Purchase Agreement and Voting and Standstill Agreement, the "Agreements") with Canon U.S.A., Inc., a New York corporation ("Canon").

Stock Purchase Agreement

Pursuant to the Purchase Agreement, on September 21, 2016, the Company sold 6,055,341 shares of its common stock, par value \$0.001 per share (the "Common Stock"), to Canon for an aggregate cash purchase price of \$39,723,036.96, or \$6.56 per share of Common Stock. The shares purchased by Canon represent 19.9% of the outstanding shares of the Company as of September 21, 2016 immediately after giving effect to the sale of such shares by the Company to Canon.

Voting and Standstill Agreement

Pursuant to the Voting and Standstill Agreement, until September 21, 2018 (the "Standstill Period"), Canon will be bound by certain "standstill" provisions which generally will prevent it and certain affiliates (together, the "Standstill Parties") from (i) purchasing outstanding shares of Common Stock or Common Stock equivalents in excess of 19.9% of the outstanding shares of Common Stock, (ii) making, encouraging or supporting a third-party tender offer, (iii) calling a meeting of the Company's stockholders, (iv) nominating for election to the Company's board of directors (the "Board") a person whose nomination has not been approved by a majority of the Company's Board, (v) soliciting proxies in opposition to the recommendation of the Board, (vi) depositing shares of Common Stock in a voting trust or subjecting any such shares to any voting arrangement with third parties, (vii) otherwise acting or seeking to control the

Board or the management or policies of the Company, (viii) assisting or working with a third party with respect to such actions or (ix) publicly requesting or proposing in writing that the Company amend or waive any of these limitations.

Notwithstanding the foregoing provisions of the Voting and Standstill Agreement, the Standstill Parties may (i) submit a nonpublic proposal related to a tender offer, exchange offer, merger, consolidation, acquisition, sale, business combination, recapitalization or other extraordinary transaction involving the Company (an "Acquisition Proposal") to the Company or the Board and (ii) following any third-party Acquisition Proposal that is publicly disclosed or announced, submit an alternate Acquisition Proposal, including any requests for the Company to waive the standstill provisions of the Voting and Standstill Agreement, to the Company, Board or stockholders of the Company, or take any other action, whether or not otherwise prohibited by the standstill provisions, in connection with such alternate Acquisition Proposal.

In addition, during the Standstill Period, subject to the terms and conditions of the Voting and Standstill Agreement, the Company agreed to use commercially reasonable efforts to provide the Standstill Parties the opportunity to participate in private placements or registered public offerings of the Company's equity securities up to the lesser of (i) the Standstill Parties' pro rata portion of the securities being offered and (ii) 19.9% of the outstanding shares of Common Stock after the closing of such offering.

Until March 21, 2018 (the "Lock-Up Period"), Canon has also agreed not to transfer or dispose of any shares of Common Stock, except (i) to its controlled affiliates or to a parent holding company that become bound by the Voting and Standstill Agreement, or (ii) in a tender offer, merger, consolidation, recapitalization or similar transaction approved by a majority of the Board. Following the expiration of the Lock-Up Period, for so long as the Standstill Parties beneficially own at least five million shares of Common Stock or such lesser number which then constitutes at least 10% of the outstanding shares of Common Stock (the "Ownership Threshold"), Canon has agreed not to transfer or dispose of any shares of Common Stock, except (i) to the Company; (ii) to its controlled affiliates or to a parent holding company that become bound by the Voting and Standstill Agreement; (iii) in a tender offer, merger, consolidation, recapitalization or similar transaction approved by a majority of the Board or other change of control transaction approved by the Board; (iv) pursuant to a registered public offering in accordance with the Registration Rights Agreement; (v) pursuant to Rule 144 under the Securities Act of 1933, as amended (the "Securities

2

Act"); or (vi) pursuant to privately negotiated sales in transactions exempt from the registration requirements of the Securities Act; provided, that Canon may not make any sales of Common Stock to a person or entity Canon knows is a competitor of the Company (other than to its controlled affiliates or to a parent holding company that become bound by the Voting and Standstill Agreement).

For so long as the Standstill Parties meet the Ownership Threshold, Canon has agreed generally to vote its shares in accordance with the recommendation of a majority of the Board except with respect to change of control transactions.

For so long as the Standstill Parties meet the Ownership Threshold, the Company has agreed to give Canon certain Board designation rights and to initially appoint Seymour Liebman, Executive Vice President, Chief Administrative Officer and General Counsel of Canon, as a Class I director on the Board, and to nominate Mr. Liebman or another Canon designee for election and reelection to such position, provided in each case that such Canon designee is reasonably acceptable to the nominating and governance committee of the Board. The Company has the right to terminate this Board nomination provision upon the uncured material breach by Canon or its affiliates of the standstill provisions of the Voting and Standstill Agreement.

The rights and restrictions applicable to Canon under the Voting and Standstill Agreement are subject to termination upon the mutual written agreement of the Company and Canon or the occurrence of a change of control of the Company.

Registration Rights Agreement

Pursuant to the Registration Rights Agreement, on or before March 21, 2017, the Company has agreed to prepare and file with the Securities and Exchange Commission (the "Commission") a registration statement on Form S-3 for purposes of registering the resale of Canon's shares of Common Stock or, if the Company is not at such time eligible for the use of Form S-3, on or before June 21, 2017, prepare and file a registration statement on Form S-1 or alternative form that permits the resale of Canon's shares with the Commission. The Company has also agreed to use commercially reasonable efforts to cause such registration statement to be declared effective by September 21, 2017, if the Company is eligible to use Form S-3, or by December 21, 2017, if the Company is not eligible to use Form S-3.

The Company has also agreed, among other things, to indemnify Canon, its controlling persons and their officers, directors, partners, members, stockholders, employees and agents under the registration statement from certain liabilities and to pay all fees and expenses (excluding any legal fees of the selling holder(s), and any underwriting discounts and selling commissions) incident to the Company's obligations under the Registration Rights Agreement.

The foregoing summaries do not purport to be complete and are qualified in their entirety by reference to the Purchase Agreement, Voting and Standstill Agreement, and Registration Rights Agreement, which are filed as Exhibits 10.1, 10.2, and 10.3 to this Current Report on Form 8-K.

As previously disclosed, on February 3, 2015, the Company entered into a Co-Development Partnership Agreement (the "Co-Development Agreement") with an affiliate of Canon, Canon U.S. Life Sciences, Inc. ("Canon US Life Sciences"), to develop a diagnostic test panel to rapidly detect Lyme disease. Under the terms of the Co-Development Agreement, the Company received an upfront payment of \$2.0 million from Canon US Life Sciences and may be eligible to receive an additional \$6.5 million of consideration upon achieving certain development and regulatory milestones for total aggregate payments of up to \$8.5 million. In October 2015, the Company achieved a specified technical requirement and received \$1.5 million related to the achievement of the milestone. The Company is eligible to receive an additional \$5.0 million under the arrangement, in two milestone payments of \$2.0 million and \$3.0 million, related to the achievement of additional development and regulatory milestones. The Company retains exclusive worldwide

3

commercialization rights of any products developed under the Co-Development Agreement, including sales, marketing and distribution and Canon US Life Sciences will not receive any commercial right and will be entitled to only receive royalty payments on the sales of all products developed under the Co-Development Agreement.

Item 3.02 Unregistered Sales of Equity Securities.

As described in Item 1.01 of this Current Report on Form 8-K, which is incorporated in this Item 3.02 by reference, the Company sold an aggregate of 6,055,341 shares of Common Stock to Canon pursuant to the Purchase Agreement. The offer, sale, and issuance of the shares are exempt from registration pursuant to Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder, as a transaction by an issuer not involving a public offering. The recipient of securities in this transaction has acquired the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends have been affixed to the securities issued in this transaction.

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

d)

Under the terms of the Voting and Standstill Agreement, the Board elected Seymour Liebman, Executive Vice President, Chief Administrative Officer and General Counsel of Canon, as a director, effective on September 21, 2016, filling an existing vacancy on the Board. Mr. Liebman will hold office as a Class I director of the Company until the Company's annual meeting of stockholders in 2018. Mr. Liebman was not appointed to any committees of the Board.

In addition to his role as an executive officer of Canon, Mr. Liebman is also an officer and/or director of many of Canon's affiliated entities, including Canon US Life Sciences.

Mr. Liebman will be compensated for his service as a director pursuant to the Company's non-employee director compensation policy as described in the Company's definitive proxy statement on Schedule 14A filed by the Company on April 29, 2016. In connection with his appointment, the compensation committee of the Board granted Mr. Liebman an option to purchase 66,176 shares of Common Stock, at an exercise price per share equal to \$6.50, the closing price of a share of Common Stock on the NASDAQ Global Market on September 21, 2016. Pursuant to the Voting and Standstill Agreement, Mr. Liebman is entitled to the same level of directors' and officers' indemnity insurance coverage and indemnity and exculpation protection (including under the Company's form of indemnification agreement for directors and officers) as the other members of the Board.

The information set forth in Item 1.01 is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On September 22, 2016, the Company issued a press release regarding the Agreements and Mr. Liebman's election to the Board. A copy of the press release is furnished as Exhibit 99.1 to this report. The information in Item 7.01 of this Current Report on Form 8-K and Exhibit 99.1 attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
10.1#	Stock Purchase Agreement, dated September 21, 2016, by and among Canon
	U.S.A., Inc. and the registrant
10.2	Voting and Standstill Agreement, dated September 21, 2016, by and among Canon U.S.A., Inc. and the registrant
10.3	Registration Rights Agreement, dated September 21, 2016, by and among Canon U.S.A., Inc. and the registrant
99.1	Press release dated September 22, 2016

The representations and warranties contained in this agreement were made only for purposes of the transactions contemplated by the agreement as of specific dates and may have been qualified by certain disclosures between the parties and a contractual standard of materiality different from those generally applicable under securities laws, among other limitations. The representations and warranties were made for purposes of allocating contractual risk between the parties to the agreement and should not be relied upon as a disclosure of factual information relating to the Company, Canon, or the transactions described in this Current Report on Form 8-K.

SIGNATURES

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

Date: September 22, 2016

T2 BIOSYSTEMS, INC.

By: /s/ John McDonough
John McDonough
President and Chief Executive Officer

EXHIBIT INDEX

Exhibit Number	Description
10.1#	Stock Purchase Agreement, dated September 21, 2016, by and among Canon U.S.A., Inc. and the registrant
10.2	Voting and Standstill Agreement, dated September 21, 2016, by and among Canon U.S.A., Inc. and the registrant
10.3	Registration Rights Agreement, dated September 21, 2016, by and among Canon U.S.A., Inc. and the registrant
99.1	Press release dated September 22, 2016

The representations and warranties contained in this agreement were made only for purposes of the transactions contemplated by the agreement as of specific dates and may have been qualified by certain disclosures between the parties and a contractual standard of materiality different from those generally applicable under securities laws, among other limitations. The representations and warranties were made for purposes of allocating contractual risk between the parties to the agreement and should not be relied upon as a disclosure of factual information relating to the Company, Canon, or the transactions described in this Current Report on Form 8-K.

STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement (“Agreement”) is made as of September 21, 2016 (the “Effective Date”), by and among T2 Biosystems, Inc., a Delaware corporation (the “Company”), and Canon U.S.A., Inc., a New York corporation (the “Purchaser”).

AGREEMENT

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and the Purchaser agree as follows:

SECTION 1. AUTHORIZATION OF SALE OF STOCK

The Company has authorized the sale and issuance of 6,055,341 shares (the “Shares”) of its Common Stock, par value \$0.001 per share (the “Common Stock”), on the terms and subject to the conditions set forth in this Agreement.

SECTION 2. AGREEMENT TO SELL AND PURCHASE THE STOCK

2.1 **Sale of Stock.** At the Closing (as defined in Section 3.1), the Company will sell to the Purchaser, and the Purchaser will purchase from the Company, the Shares at a purchase price of \$6.56 per Share for an aggregate purchase price of \$39,723,036.96.

SECTION 3. CLOSING AND DELIVERY

3.1 **Closing.** The closing of the purchase and sale of the Shares pursuant to this Agreement (the “Closing”) shall be held on September 21, 2016 at the offices of Latham & Watkins LLP, John Hancock Tower, 27th Floor, Boston, Massachusetts 02116, or on such other date and place as may be agreed to by the Company and the Purchaser. At or prior to the Closing, the Purchaser shall execute any related agreements or other documents required to be executed hereunder, dated as of the date of the Closing (the “Closing Date”).

3.2 **Issuance of the Shares at the Closing.** At the Closing, the Company shall issue or deliver to the Purchaser evidence of a book entry position evidencing the Shares purchased by the Purchaser hereunder, registered in the name of the Purchaser, or in such nominee name(s) as designated by the Purchaser, representing the number of Shares to be purchased by the Purchaser at the Closing against payment of the purchase price for such Shares. The name in which the shares are to be issued to the Purchaser are set forth in the Purchaser Questionnaire and the Selling Stockholder Notice and Questionnaire in the form attached hereto as Appendix I and II (the “Purchaser Questionnaire” and the “Selling Stockholder Questionnaire”, respectively), as completed by the Purchaser, which shall be provided to the Company no later than the Closing Date.

3.3 **Delivery of the Registration Rights Agreement.** At the Closing, the Company and the Purchaser shall execute and deliver the Registration Rights Agreement in the form attached hereto as Appendix III (the “Registration Rights Agreement”), with respect to the registration of the Shares under the Securities Act of 1933, as amended (the “Securities Act”).

3.4 **Delivery of the Voting and Standstill Agreement.** At the Closing, the Company and the Purchaser shall execute and deliver the Voting and Standstill Agreement in the form attached hereto as Appendix IV (the “Voting and Standstill Agreement”).

SECTION 4. REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE COMPANY

Except as set forth on the Schedule of Exceptions delivered to the Purchaser concurrently with the execution of this Agreement (the “Schedule of Exceptions”) or, solely with respect to Sections 4.1, 4.6 (excluding the 7th sentence thereof), 4.10, 4.14, 4.15, 4.18, 4.19, 4.23, 4.25, 4.26, 4.29, 4.30 and 4.34, as otherwise described in the SEC Documents (as defined below), which disclosures qualify these representations and warranties in their entirety, the Company hereby represents and warrants as of the date hereof to, and covenants with, the Purchaser as follows:

4.1 **Subsidiaries.** The Company has no direct or indirect Subsidiaries (as defined below) other than those listed in Exhibit 21.1 to the Company’s Annual Report on Form 10-K for the year ended December 31, 2015. The Company owns, directly or indirectly, all of the capital stock or comparable equity interests of each Subsidiary free and clear of any and all liens, charges, claims, encumbrances, security interests, rights of first refusal, preemptive rights or other restrictions of any kind (collectively, “Liens”), and all the issued and outstanding shares of capital stock or comparable equity interest of each Subsidiary are validly issued and are fully paid, non-assessable and free of preemptive and similar rights to subscribe for or purchase securities. “Subsidiary” means any entity in which the Company, directly or indirectly, owns sufficient capital stock or holds a sufficient equity or similar interest such that it is consolidated with the Company in the financial statements of the Company.

4.2 **Organization and Standing.** The Company and each of its Subsidiaries (i) has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation or organization (as applicable), with full corporate power and authority to own or lease, as the case may be, and to operate its properties and conduct its business as presently conducted, and (ii) is duly qualified to do business as a foreign corporation and is in good standing under the laws of each jurisdiction which requires such qualification, except in the case of clause (ii) above, to the extent that the failure to be so qualified or be in good standing would not reasonably be expected to result in (i) a material adverse effect on the validity or enforceability of this Agreement, (ii) a material adverse effect on the condition (financial or otherwise), earnings, business, results of operations, assets or properties of the Company and its Subsidiaries, taken as a whole, or (iii) a material adverse effect on the Company’s ability to perform in any material respect its obligations under this Agreement (any of (i), (ii) or (iii)) (a “Material Adverse Effect”).

4.3 **Corporate Power; Authorization.** The Company has all requisite corporate power and authority, and has taken all requisite corporate action, to execute and deliver this Agreement, the Registration Rights Agreement and the Voting and Standstill Agreement (collectively, the “Transaction Documents”), sell and issue the Shares and carry out and perform all of its obligations under the Transaction Documents. Each Transaction Document constitutes the legal, valid and binding obligation of the Company, enforceable in accordance with its terms, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors’ rights generally, (ii) as limited by equitable principles generally, including any specific performance and (iii) with respect to the Registration Rights Agreement, as rights to indemnity or contribution may be limited by state or federal laws or public policy underlying such laws.

4.4 **Issuance and Delivery of the Shares.** The Shares have been duly authorized and, when issued and paid for in compliance with the provisions of this Agreement, will be validly issued, fully paid and nonassessable and free and clear of all Liens, other than restrictions on transfer imposed by applicable securities laws and the Voting and Standstill Agreement, and shall not be subject to preemptive or similar rights. Assuming the accuracy of the representations made by the Purchaser in Section 5, the offer and issuance by the Company of the Shares is exempt from registration under the Securities Act.

4.5 **SEC Documents; Financial Statements.** The Company has filed in a timely manner all documents that the Company was required to file with the Securities and Exchange Commission (the “Commission”) under Sections 13, 14(a) and 15(d) the Securities Exchange Act of 1934, as amended (the “Exchange Act”), since January 1, 2015 (collectively with all exhibits, schedules and annexes thereto, the “SEC Documents”). As of their respective filing dates (or, if amended prior to the date of this Agreement, when amended), all SEC Documents complied in all material respects with the requirements of the Exchange Act and the rules and regulations of the Commission promulgated thereunder. None of the SEC Documents as of their respective dates contained any untrue statement of material fact or omitted to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading. The consolidated financial statements of the Company included in the SEC Documents (the “Financial Statements”) present fairly the consolidated financial condition, results of operations and cash flows of the Company and its Subsidiaries, taken as a whole, as of the dates and for the periods indicated, comply in all material respects with applicable accounting requirements and the rules and regulations of the Commission with respect thereto as in effect at the time of filing and have been prepared in conformity with generally accepted accounting principles (“GAAP”) applied on a consistent basis throughout the periods involved (except as otherwise noted therein). Ernst & Young LLP, who have certified certain financial statements of the Company delivered their report with respect to the audited consolidated financial statements and schedules included in the SEC Documents, are independent public accountants with respect to the Company within the meaning of the Exchange Act and the applicable published rules and regulations thereunder. There is no transaction, arrangement, or other relationship between the Company (or any Subsidiary) and any unconsolidated or other off balance sheet entity that is required to be disclosed by the Company in its Exchange Act filings that is not so disclosed.

3

4.6 **Capitalization.** The authorized capital stock of the Company consists of 200,000,000 shares of common stock and 10,000,000 shares of undesignated Preferred Stock. As of the Effective Date, there are no shares of Preferred Stock issued and outstanding and there are 24,373,960 shares of Common Stock issued and outstanding, of which no shares are owned by the Company. There are no other shares of any other class or series of capital stock of the Company issued or outstanding. The Company has no capital stock reserved for issuance, except that, as of the Effective Date, there are (i) 4,462,423 shares of Common Stock reserved for issuance pursuant to the Company’s stock incentive plans, of which 4,281,800 shares are issuable upon the exercise of stock options outstanding on the date hereof and (ii) 180,623 shares of Common Stock reserved for issuance pursuant to the Company’s employee stock purchase plan. There are no bonds, debentures, notes or other indebtedness having general voting rights (or convertible into securities having such rights) (“Voting Debt”) of the Company issued and outstanding. Except as stated above, there are no existing options, warrants, calls, subscriptions or other rights, agreements, arrangements or commitments relating to the issued or unissued capital stock of the Company, obligating the Company to issue, transfer, sell, redeem, purchase, repurchase or otherwise acquire or cause to be issued, transferred, sold, redeemed, purchased, repurchased or otherwise acquired any capital stock or Voting Debt of, or other equity interest in, the Company or securities or rights convertible into or exchangeable for such shares or equity interests or obligations of the Company to grant, extend or enter into any such option, warrant, call, subscription or other right, agreement, arrangement or commitment. The issuance of Common Stock or other securities pursuant to any provision of this Agreement will not give rise to any preemptive rights or rights of first refusal on behalf of any Person (as defined below) or result in the triggering of any anti-dilution or price adjustment rights. There are no agreements or arrangements under which the Company or any of its Subsidiaries is obligated to register the sale of any of their securities under the Securities Act. “Person” means an individual, corporation, partnership, limited liability company, trust, business trust, association, joint stock company, joint venture, sole proprietorship, unincorporated organization, governmental authority or any other form of entity not specifically listed herein.

4.7 **Litigation.** No action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its Subsidiaries or their respective properties is pending or, to the best knowledge of the Company, threatened that would have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, whether or not arising from transactions in the ordinary course of business. Neither the Company nor any Subsidiary, nor to the Company’s knowledge any director or officer thereof, is or has been the subject of any action, suit or proceeding involving a claim of violation of or liability under federal or state securities laws or a claim of breach of fiduciary duty. There has not been, and to the Company’s knowledge there is not pending or contemplated, any investigation by the Commission involving the Company or, to the Company’s knowledge, any current or former director or officer of the Company. The Commission has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company or any of its Subsidiaries under the Exchange Act or the Securities Act. There are no outstanding orders, judgments, injunctions, awards or decrees of any court, arbitrator or governmental or regulatory body against the Company or, to the Company’s knowledge, any executive officers or directors of the Company in their capacities as such, which individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

4

4.8 **Governmental Consents.** No consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any federal, state, or local governmental authority on the part of the Company or any of its Subsidiaries is required in connection with the consummation of the transactions contemplated by the Transaction Documents except for (a) the filing of a Form D with the Commission under the Securities Act and compliance with the securities and blue sky laws in the states and other jurisdictions in which shares of Common Stock are offered and/or sold, which compliance will be effected in accordance with such laws, (b) the filing of a Notification Form: Listing of Additional Shares with the NASDAQ Global

Market (“NASDAQ”) for the listing of the Shares (which has been made and approved prior to the date hereof) and (c) the filing of one or more registration statements and all amendments thereto with the Commission as contemplated by the Registration Rights Agreement.

4.9 **No Default or Consents.** Neither the execution, delivery or performance of the Transaction Documents by the Company nor the consummation of any of the transactions contemplated thereby (including, without limitation, the issuance and sale by the Company of the Shares) will conflict with, result in a breach or violation of, or imposition of any lien, charge or encumbrance upon any property or assets of the Company pursuant to, (i) the charter or by-laws of the Company or any of its Subsidiaries, (ii) the terms of any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which the Company or any of its Subsidiaries is a party or bound or to which its or their property is subject, or (iii) any statute, law, rule, regulation, judgment, order or decree applicable to the Company or any of its Subsidiaries of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Company or any of its Subsidiaries or any of their respective properties, except in the case of clauses (ii) and (iii) above, for any conflict, breach or violation of, or imposition that would not, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect.

4.10 **No Material Adverse Change.** Since June 30, 2016, (i) there have not been any changes in the authorized capital, assets, liabilities, financial condition, business, Material Contracts (as defined below) or operations of the Company from that reflected in the Financial Statements except changes in the ordinary course of business which have not had or would not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect, (ii) the Company has not incurred any material liabilities (contingent or otherwise) other than (A) trade payables, accrued expenses and other liabilities incurred in the ordinary course of business consistent with past practice and (B) liabilities not required to be reflected in the Company’s financial statements pursuant to GAAP or required to be disclosed in filings made with the Commission, (iii) the Company has not altered materially its method of accounting or the manner in which it keeps its accounting books and records, (iv) the Company has not declared or made any dividend or distribution of cash or other property to its shareholders or purchased, redeemed or made any agreements to purchase or redeem any shares of its capital stock, and (v) the Company has not issued any equity securities to any officer, director or Affiliate (as defined below), except Common Stock issued pursuant to existing Company stock option or stock purchase plans or executive and director arrangements disclosed in the SEC Documents. Neither the Company nor any of its Subsidiaries has taken any steps to seek protection pursuant to any law or statute relating to bankruptcy, insolvency, reorganization, receivership, liquidation or

5

winding up, nor does the Company or any Subsidiary have any knowledge or reason to believe that any of their respective creditors intend to initiate involuntary bankruptcy proceedings or any actual knowledge of any fact which would reasonably lead a creditor to do so. The Company and its Subsidiaries, individually and on a consolidated basis, are not as of the date hereof, and after giving effect to the transactions contemplated hereby to occur at the Closing, will not be insolvent. Neither the Company nor any of its Subsidiaries has engaged in any business or in any transaction, and is not about to engage in any business or in any transaction, for which the Company’s or such Subsidiary’s remaining assets constitute unreasonably small capital. For purposes of this Agreement, “Affiliate” shall have the same meaning ascribed to such term in the Voting and Standstill Agreement.

4.11 **No General Solicitation.** Neither the Company nor any Person acting on its behalf, has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D promulgated under the Securities Act) in connection with the offer or sale of the Shares.

4.12 **No Integrated Offering.** Neither of the Company or any Person acting on its behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any Company security, under circumstances that would adversely affect reliance by the Company on Section 4(a) (2) of the Securities Act or require registration of any of the Shares under the Securities Act or cause this offering of the Shares to be integrated with prior offerings by the Company (i) for purposes of the Securities Act or (ii) for purposes of the rules and regulations of NASDAQ such that it would require stockholder approval prior to the Closing.

4.13 **Sarbanes-Oxley Act.** There is and has been no failure on the part of the Company and any of the Company’s directors or officers, in their capacities as such, to comply with any applicable provision of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith, including, without limitation, Section 402 relating to loans.

4.14 **Intellectual Property.** The Company and its Subsidiaries collectively own, possess, license or have other rights to use, on reasonable terms, all patents, patent applications, trade and service marks, trade and service mark registrations, trade names, copyrights, licenses, inventions, trade secrets, technology, know-how and other intellectual property (collectively, the “Intellectual Property”) necessary for the conduct of the Company’s and its Subsidiaries’ business, taken as a whole, as now conducted or as proposed in the SEC Documents to be conducted (the “Company Intellectual Property”). To the knowledge of the Company, there are no rights of third parties to any Company Intellectual Property, other than as licensed by the Company. To the knowledge of the Company, there is no infringement by third parties of any Company Intellectual Property. There is no pending or, to the Company’s knowledge, threatened action, suit, proceeding or claim by others challenging the Company’s rights in or to any Company Intellectual Property. There is no pending or, to the Company’s knowledge, threatened action, suit, proceeding or claim by others challenging the validity or scope of any Company Intellectual Property. There is no pending or, to the Company’s knowledge, threatened action, suit, proceeding or claim by others that the Company infringes or otherwise violates any patent, trademark, copyright, trade secret or other proprietary rights of others. The Company is not aware of any facts required to be disclosed to the U.S. Patent and Trademark Office (“USPTO”) which have not been disclosed to the USPTO and which would preclude the grant of a patent in

6

connection with any patent application of the Company Intellectual Property or could form the basis of a finding of invalidity with respect to any issued patents of the Company Intellectual Property. The Company and its Subsidiaries collectively have taken reasonable security measures to protect the secrecy, confidentiality and value of all of the Company Intellectual Property, except where the failure to do so would not, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect.

4.15 **Compliance with NASDAQ Continued Listing Requirements.** The Company’s Common Stock is registered pursuant to Section 12(b) of the Exchange Act, and the Company has taken no action designed to terminate the registration of the Common Stock under the Exchange Act nor has the Company received any notification that the Commission is contemplating terminating such registration. The Company is in compliance with applicable NASDAQ continued listing requirements. There are no proceedings pending or, to the Company’s knowledge, threatened against the Company relating to the

continued listing of the Common Stock on NASDAQ and the Company has not received any notice of, nor to the Company's knowledge is there any reasonable basis for, the delisting of the Common Stock from NASDAQ.

4.16 **Disclosure.** The Company understands and confirms that the Purchaser will rely on the foregoing representations in effecting transactions in securities of the Company. To the knowledge of the executive officers of the Company, all due diligence materials regarding the Company, its business and the transactions contemplated hereby, furnished by or on behalf of the Company to the Purchaser upon its request are, when taken together with the SEC Documents and the Schedule of Exceptions, true and correct in all material respects and do not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

4.17 **Contracts.** Each franchise, contract or other document of a character required to be described in the SEC Documents or to be filed as an exhibit to the SEC Documents under the Securities Act and the rules and regulations promulgated thereunder (collectively, the "**Material Contracts**") is so described or filed. Neither the Company nor any of its Subsidiaries is in default under or in violation of (and to the Company's knowledge no event has occurred that has not been waived that, with notice or lapse of time or both, would result in a default by the Company or any of its Subsidiaries under), nor has the Company or any of its Subsidiaries received written notice of a claim that it is in default under or that it is in violation of, any Material Contract (whether or not such default or violation has been waived).

4.18 **Properties and Assets.** The Company and its Subsidiaries have good and marketable title to all real property and tangible personal property owned by them which is material to the business of the Company and its Subsidiaries, taken as a whole, in each case free and clear of all Liens except such as do not materially affect the value of such property or do not materially interfere with the use made and proposed to be made of such property by the Company and any of its Subsidiaries or relate to indebtedness of the Company in existence as of the Effective Date. Except as would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, any real property and facilities held under lease by the

7

Company and any of its Subsidiaries are held by them under valid, subsisting and enforceable leases.

4.19 **Compliance.** Except as (A) set forth herein or (B) would not (1) have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect or (2) materially and adversely affect the validity or enforceability of, or the authority or the ability of the Company to perform its obligations under, the Transaction Documents: (i) the Company and each of its Subsidiaries are in compliance with statutes, laws, ordinances, rules and regulations applicable to the Company and its Subsidiaries, including without limitation for the ownership, testing, development, manufacture, packaging, processing, use, labeling, storage, or disposal of any product manufactured by or on behalf of the Company or any of its Subsidiaries or out-licensed by the Company or any of its Subsidiaries (a "**Company Product**"), including without limitation, the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. § 301, et seq., the Public Health Service Act, 42 U.S.C. § 262, similar laws of other governmental entities and the regulations promulgated pursuant to such laws (collectively, "**Applicable Laws**"); (ii) the Company and each of its Subsidiaries possess all licenses, certificates, approvals, authorizations, permits and supplements or amendments thereto required by any such Applicable Laws and/or for the ownership of their respective properties or the conduct of their respective businesses, including without limitation as it relates to a Company Product and as described in the SEC Documents (collectively, "**Authorizations**") and such Authorizations are valid and in full force and effect and the Company is not in violation of any term of any such Authorizations; (iii) neither the Company nor any of its Subsidiaries has received any written notice of adverse finding or warning letter from the U.S. Food and Drug Administration (the "**FDA**") or any other governmental entity alleging or asserting noncompliance with any Applicable Laws or Authorizations relating to a Company Product; (iv) neither the Company nor any of its Subsidiaries has received written notice of any ongoing claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action from any governmental entity or third party alleging that any Company Product, operation or activity related to a Company Product is in violation of any Applicable Laws or Authorizations or has any knowledge that any such governmental entity or third party is considering any such claim, litigation, arbitration, action, suit, investigation or proceeding; (v) neither the Company nor any of its Subsidiaries has received written notice that any governmental entity has taken, is taking or intends to take action to limit, suspend, modify or revoke any Authorizations or has any knowledge that any such governmental entity has threatened or is considering such action with respect to a Company Product; and (vi) the Company and each of its Subsidiaries have filed, obtained, maintained or submitted all reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments as required by any Applicable Laws or Authorizations and that all such reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments were complete, correct and not misleading on the date filed (or were corrected or supplemented by a subsequent submission). To the Company's knowledge, neither the Company nor any of its Subsidiaries, directors, officers, employees or agents, has made, or caused the making of, any false statements on, or material omissions from, any other records or documentation prepared or maintained to comply with the requirements of the FDA or any other governmental entity.

4.20 **Taxes.** The Company and each of its Subsidiaries has filed all material tax returns that are required to be filed or has requested valid extensions thereof. All such tax returns are correct and complete in all material respects for the periods to which such tax returns relate, and

8

the Company and each of its Subsidiaries has paid all taxes required to be paid by them and any other assessment, fine or penalty levied against it, to the extent that any of the foregoing is due and payable, except for any such assessment, fine or penalty that is currently being contested in good faith or as would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, whether or not arising from transactions in the ordinary course of business. There are in effect no waivers of applicable statutes of limitations with respect to taxes for any year.

4.21 **Transfer Taxes.** There are no transfer taxes or other similar fees or charges under Federal law or the laws of any state, or any political subdivision thereof, required to be paid in connection with the execution and delivery of this Agreement or the issuance by the Company or sale by the Company of the Shares.

4.22 **Investment Company.** The Company is not and, after giving effect to the offering and sale of the Shares, will not be an "investment company" as defined in the Investment Company Act of 1940, as amended.

4.23 **Insurance.** The Company and each of its Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are reasonable and customary in the business in which it is engaged; all policies of insurance and fidelity or surety bonds insuring the Company and each of its Subsidiaries or their respective businesses, assets, employees, officers and directors are in full force and effect; the

Company and each of its Subsidiaries is in compliance with the terms of such policies and instruments in all material respects; and there are no claims by the Company or any of its Subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause; neither the Company nor any of its Subsidiaries has been refused any insurance coverage sought or applied for; and the Company has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, whether or not arising from transactions in the ordinary course of business.

4.24 **Price of Common Stock.** The Company has not, and to the Company's knowledge no one acting on its behalf has, taken, directly or indirectly, any action designed to cause or result in, or that has constituted or that might reasonably be expected to constitute the stabilization or manipulation of the price of any securities of the Company to facilitate the sale or resale of the Shares.

4.25 **Governmental Permits, Etc.** The Company and each of its Subsidiaries possess all licenses, certificates, permits and other authorizations issued by all applicable authorities necessary to conduct their respective businesses, and neither the Company nor any of its Subsidiaries has received any notice of proceedings relating to the revocation or modification of any such certificate, authorization or permit which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have or reasonably be expected to have a Material Adverse Effect, whether or not arising from transactions in the ordinary course of business.

9

4.26 **Internal Control over Financial Reporting; Sarbanes-Oxley Matters.** The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The Company's internal controls over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) are effective 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 and the Company is not aware of any material weakness in its internal controls over financial reporting. The Company maintains "disclosure controls and procedures" (as such term is defined in Rule 13a-15(e) under the Exchange Act); such disclosure controls and procedures are effective.

4.27 **Foreign Corrupt Practices.** Neither the Company nor any of its Subsidiaries nor, to the knowledge of the Company, any director, officer, agent, or employee of the Company, has taken any action, directly or indirectly, that would result in a violation by the Company or such persons of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (the "FCPA"), including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA.

4.28 **Labor.** No labor problem or dispute with the employees of the Company or any of its Subsidiaries exists or, to the knowledge of the Company, is threatened, and the Company is not aware of any existing or imminent labor disturbance by the employees of any of its principal suppliers or contractors, that could have a Material Adverse Effect, whether or not arising from transactions in the ordinary course of business.

4.29 **ERISA.** None of the following events has occurred or exists: (i) a failure to fulfill the obligations, if any, under the minimum funding standards of Section 302 of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and the regulations and published interpretations thereunder with respect to a Plan that is required to be funded, determined without regard to any waiver of such obligations or extension of any amortization period; (ii) an audit or investigation by the Internal Revenue Service, the U.S. Department of Labor, the Pension Benefit Guaranty Corporation or any other federal or state governmental agency or any foreign regulatory agency with respect to the employment or compensation of employees by any of the Company that could have a Material Adverse Effect; (iii) any breach of any contractual obligation, or any violation of law or applicable qualification standards, with respect to the employment or compensation of employees by the Company that would reasonably be expected to have a Material Adverse Effect. None of the following events has occurred or is reasonably likely to occur: (i) a material increase in the aggregate amount of contributions required to be made to all Plans in the current fiscal year of the Company compared to the amount

10

of such contributions made in the most recently completed fiscal year of the Company; (ii) a material increase in the "accumulated post-retirement benefit obligations" (within the meaning of Statement of Financial Accounting Standards 106) of the Company compared to the amount of such obligations in the most recently completed fiscal year of the Company; (iii) any event or condition giving rise to a liability under Title IV of ERISA that could have a Material Adverse Effect; or (iv) the filing of a claim by one or more employees or former employees of the Company related to their employment that could have a Material Adverse Effect. For purposes of this paragraph, the term "Plan" means a plan (within the meaning of Section 3(3) of ERISA) subject to Title IV of ERISA with respect to which the Company may have any liability.

4.30 **Environmental Laws.** The Company and each of its Subsidiaries (i) are in compliance with any and all applicable foreign, federal, state and local laws and regulations relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("**Environmental Laws**"), (ii) have received and are in compliance with all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct its business and (iii) have not received notice of any actual or potential liability under any environmental law, except where such non-compliance with Environmental Laws, failure to receive required permits, licenses or other approvals, or liability would not, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect, whether or not arising from transactions in the ordinary course of business. Neither the Company nor any of its Subsidiaries has been named as a "potentially responsible party" under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended.

4.31 **Money Laundering Laws.** The operations of the Company and its Subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements and the money laundering statutes and the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "**Money Laundering Laws**") and no

action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its Subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

4.32 **OFAC.** Neither the Company nor any of its Subsidiaries nor, to the knowledge of the Company, any director, officer, agent or employee of the Company or any of its Subsidiaries (i) is currently subject to any sanctions administered or imposed by the United States (including any administered or enforced by the Office of Foreign Assets Control of the U.S. Treasury Department, the U.S. Department of State, or the Bureau of Industry and Security of the U.S. Department of Commerce), the United Nations Security Council, the European Union, or the United Kingdom (including sanctions administered or controlled by Her Majesty's Treasury) (collectively, "Sanctions") and such persons, "Sanction Persons") or (ii) will, directly or indirectly, use the proceeds of this offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person in any manner that will result in a violation of any economic Sanctions by, or could result in the imposition of Sanctions against, any person (including any person participating in the offering, whether as underwriter, advisor, investor or otherwise). Neither the Company nor any of its Subsidiaries nor, to the knowledge of the Company, any director, officer, agent, or employee of the Company or any of its Subsidiaries, is a

11

person that is, or is 50% or more owned or otherwise controlled by a person that is: (i) the subject of any Sanctions; or (ii) located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions that broadly prohibit dealings with that country or territory (currently, Cuba, Iran, North Korea, Sudan, and Syria) (collectively, "Sanctioned Countries" and each, a "Sanctioned Country"). Neither the Company nor any of its Subsidiaries has engaged in any dealings or transactions with or for the benefit of a Sanctioned Person, or with or in a Sanctioned Country, in the preceding three years, nor does the Company or its Subsidiaries have any plans to increase their respective dealings or transactions with Sanctioned Persons, or with or in Sanctioned Countries.

4.33 **Rights Agreements; Approval of Transaction Documents.** The Company does not have in effect any stockholder rights plan or similar arrangement relating to accumulations of beneficial ownership of Common Stock or a change in control of the Company. The Company's Board has approved the transactions contemplated by the Transaction Documents, including the issuance of the Shares to the Purchaser (including, without limitation, for purposes of Section 203 of the Delaware General Corporation Law).

4.34 **Transactions With Affiliates and Employees.** Except as set forth in the SEC Documents, to the Company's knowledge, none of the executive officers or directors of the Company is presently a party to any transaction with the Company or to a presently contemplated transaction (other than for services as officers and directors) that would be required to be disclosed pursuant to Item 404 of Regulation S-K promulgated under the Securities Act.

4.35 **No "Bad Actor" Disqualification.** The Company has conducted a factual inquiry including the procurement of relevant questionnaires from each Covered Person (as defined below) or other means to determine whether any Covered Person (as defined below) is subject to any of the "bad actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act ("Disqualification Events"). To the Company's knowledge, after conducting such factual inquiries, no Covered Person is subject to a Disqualification Event, except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3) under the Securities Act. The Company has complied, to the extent applicable, with any disclosure obligations under Rule 506(e) under the Securities Act. "Covered Persons" are those persons specified in Rule 506(d)(1) under the Securities Act, including the Company; any predecessor or affiliate of the Company; any director, executive officer, other officer participating in the offering, general partner or managing member of the Company; any beneficial owner of 20% or more of the Company's outstanding voting equity securities, calculated on the basis of voting power; any promoter (as defined in Rule 405 under the Securities Act) connected with the Company in any capacity at the time of the sale of the Shares; and any person that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of the Shares (a "Solicitor"), any general partner or managing member of any Solicitor, and any director, executive officer or other officer participating in the offering of any Solicitor or general partner or managing member of any Solicitor.

4.36 **Registration Eligibility.** To the Company's knowledge, the Company is eligible to register the resale of the Shares by the Purchasers using Form S-3 promulgated under the Securities Act.

12

4.37 **Shell Company Status.** The Company is not, and has never been, an issuer identified in Rule 144(i)(1).

SECTION 5. REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE PURCHASER

5.1 The Purchaser represents and warrants to and covenants with the Company that:

(a) The Purchaser is a validly existing corporation and has all requisite corporate power and authority to enter into and consummate the transactions contemplated by the Transaction Documents and to carry out its obligations hereunder and thereunder, and to invest in the Shares pursuant to this Agreement.

(b) The Purchaser acknowledges that it can bear the economic risk and complete loss of its investment in the Shares and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment contemplated hereby. The Purchaser has had an opportunity to receive, review and understand all information related to the Company requested by it and to ask questions of and received answers from the Company regarding the Company, its business and the terms and conditions of the offering of the Shares, and has conducted and completed its own independent due diligence. The Purchaser acknowledges that the Company has made available the SEC Documents. Based on the information the Purchaser has deemed appropriate, and without reliance upon any placement agent, it has independently made its own analysis and decision to enter into the Transaction Documents. Neither such inquiries nor any other investigation conducted by or on behalf of the Purchaser or its representatives or counsel shall modify, amend or affect the Purchaser's right to rely on the truth, accuracy and completeness of the SEC Documents, the Company's representations and warranties contained in the Transaction Documents and the Schedule of Exceptions.

(c) The Shares to be received by the Purchaser hereunder will be acquired for the Purchaser's own account, not as nominee or agent, and not with a view to the resale or distribution of any part thereof in violation of the Securities Act, and the Purchaser has no present intention of selling,

granting any participation in, or otherwise distributing the same in violation of the Securities Act without prejudice, however, to the Purchaser's right at all times, subject to the terms and conditions of the Transaction Documents, to sell or otherwise dispose of all or any part of such Shares in compliance with applicable federal and state securities laws. The Purchaser understands that the Shares are characterized as "restricted securities" under the U.S. federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under the Securities Act only in certain limited circumstances. Purchaser will not, directly or indirectly, offer, sell, pledge, transfer or otherwise dispose of (or solicit any offers to buy, purchase or otherwise acquire or take a pledge of) any of the securities purchased hereunder except in compliance with the Securities Act, applicable blue sky laws, the rules and regulations promulgated thereunder and the terms and conditions of the Voting and Standstill Agreement.

13

(d) The Purchaser is an "accredited investor" within the meaning of Rule 501(a) under the Securities Act. The Purchaser has determined based on its own independent review and such professional advice as it deems appropriate that its purchase of the Shares and participation in the transactions contemplated by the Transaction Documents (i) are fully consistent with its financial needs, objectives and condition, (ii) comply and are fully consistent with all investment policies, guidelines and other restrictions applicable to the Purchaser, (iii) have been duly authorized and approved by all necessary action, (iv) do not and will not violate or constitute a default under the Purchaser's charter, by-laws or other constituent document or under any law, rule, regulation, agreement or other obligation by which the Purchaser is bound and (v) are a fit, proper and suitable investment for the Purchaser, notwithstanding the substantial risks inherent in investing in or holding the Shares.

(e) The execution, delivery and performance by the Purchaser of the Transaction Documents have been duly authorized and each has been duly executed and when delivered will constitute the valid and legally binding obligation of the Purchaser, enforceable against the Purchaser in accordance with their respective terms, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally, (ii) as limited by equitable principles generally, including any specific performance and (iii) with respect to the Registration Rights Agreement, as rights to indemnity or contribution may be limited by state or federal laws or public policy underlying such laws.

(f) The Purchaser is not a broker or dealer registered pursuant to Section 15 of the Exchange Act (a "registered broker-dealer") and is not affiliated with a registered broker dealer. Purchaser is not party to any agreement for distribution of any of the Shares.

(g) The Purchaser shall have completed and delivered to the Company no later than the Closing Date, the Purchaser Questionnaire and the Selling Stockholder Questionnaire for use in preparation of the Registration Statement (as such term is defined in the Registration Rights Agreement), and the answers to the Purchaser Questionnaire and the Selling Stockholder Questionnaire are true and correct in all material respects as of the date of this Agreement and will be true and correct as of the Closing Date and the effective date of the Registration Statement; provided that the Purchaser shall be entitled to update such information by providing notice thereof to the Company before the effective date of such Registration Statement.

(h) The Purchaser understands that no United States federal or state agency, or similar agency of any other country, has reviewed, approved, passed upon, or made any recommendation or endorsement of the Company or the purchase of the Shares.

(i) The Purchaser has no present intent to effect a "change of control" of the Company as such term is understood under the rules promulgated pursuant to Section 13(d) of the Exchange Act.

(j) The Purchaser has not taken any of the actions set forth in, and is not subject to, the disqualification provisions of Rule 506(d) (1) of the Securities Act.

14

(k) The Purchaser did not learn of the investment in the Shares as a result of any general solicitation or general advertising.

(l) The Purchaser's offices in which its investment decision with respect to the Shares was made are located at the address immediately below such Purchaser's name in Section 12 hereof.

(m) The Purchaser (including any person controlling, controlled by, or under common control with such Purchaser, as the term "control" is defined pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and its implementing regulations (the "HSR Act")) in connection with the consummation of the transactions contemplated by this Agreement will not be required to and will not complete a filing with the U.S. government pursuant to the HSR Act.

(n) As of immediately prior to the closing of the transactions contemplated hereby, neither the Purchaser nor any of its Affiliates beneficially owns any shares of Common Stock of the Company to the extent such beneficial ownership would, as a result of the transactions contemplated hereby, (i) require approval of the Company's shareholders under NASDAQ Listing Rule 5635(b) of the transactions contemplated hereby or (ii) result in required disclosure under Section 13 of the Exchange Act by the Purchaser or any of its Affiliates of beneficial ownership of shares of Common Stock of the Company in excess of the Shares.

5.2 Other than consummating the transactions contemplated hereunder, the Purchaser has not, nor has any person acting on behalf of or pursuant to any understanding with the Purchaser, directly or indirectly executed any purchases or sales, including all "short sales" as defined in Rule 200 of Regulation SHO under the Exchange Act (but shall not be deemed to include the location and/or reservation of borrowable shares of Common Stock) ("Short Sales"), of the securities of the Company during the period commencing as of the time that the Purchaser was first contacted by the Company or any other person regarding the transactions contemplated hereby and ending immediately prior to the Effective Date. The Purchaser has maintained the confidentiality of all disclosures made to it in connection with this transaction (including the existence and terms of this transaction). Notwithstanding the foregoing, for avoidance of doubt, nothing contained herein shall constitute a representation or warranty, or preclude any actions, with respect to the identification of the availability of, or securing of, available shares to borrow in order to effect Short Sales or similar transactions in the future.

5.3 The Purchaser understands that nothing in this Agreement or any other materials presented to Purchaser in connection with the purchase and sale of the Shares constitutes legal, tax or investment advice. The Purchaser has consulted such legal, tax and investment advisors as it, in its sole discretion, has deemed necessary or appropriate in connection with its purchase of the Shares.

5.4 **Legends.**

(a) The Purchaser understands that in addition to any legend required under the Voting and Standstill Agreement, until such time as the Shares have been sold pursuant to the Registration Statement or the Shares may be sold pursuant to Rule 144 under the Securities Act

15

(“Rule 144”) without any restriction as to the number of securities as of a particular date that can then be immediately sold, the book entry notations evidencing the Shares may bear one or more legends in substantially the following form and substance:

“THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”). THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF A REGISTRATION STATEMENT IN EFFECT WITH RESPECT TO THE SECURITIES UNDER THE SECURITIES ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED OR UNLESS SOLD PURSUANT TO RULE 144 OF THE SECURITIES ACT.”

In addition, book entry notations representing the Shares may contain:

- (i) Any legend required by the blue sky laws of any state to the extent such laws are applicable to the sale of such Shares hereunder.
- (ii) A legend regarding affiliate status of the Purchaser set forth in Schedule 1 hereto, in the form included therein.

(b) Subject to the restrictions set forth in the Voting and Standstill Agreement, the Company agrees that at such time as such legend is no longer required under this Section, it will, following the delivery by the Purchaser to the Company or the Company’s transfer agent of a certificate representing Shares, as applicable and if such Shares are certificated, issued with a restrictive legend, together with such representations and covenants of the Purchaser or the Purchaser’s executing broker as the Company may reasonably require in connection therewith, promptly deliver or cause to be delivered to the Purchaser a book entry position representing such shares that is free from any legend referring to the Securities Act. Except with respect to the restrictions set forth in the Voting and Standstill Agreement, the Company shall not make any notation on its records or give instructions to any transfer agent of the Company that enlarge the restrictions on transfer set forth in this Section. Certificates for Shares subject to legend removal hereunder shall be transmitted by the transfer agent of the Company to the Purchaser by crediting the account of the Purchaser’s prime broker with the Depository Trust Company (“DTC”). All costs and expenses related to the removal of the legends and the reissuance of any Shares shall be borne by the Company; provided, however, that the Purchaser shall be responsible for the costs of its counsel and advisors.

(c) Subject to the restrictions set forth in the Voting and Standstill Agreement, the restrictive legend set forth in this section above shall be removed and the Company shall issue a certificate or book entry position without such restrictive legend or any other restrictive legend to the holder of the applicable shares upon which it is stamped or issue to such holder by electronic delivery with the applicable balance account at DTC or in physical certificated shares, if appropriate, if (i) such Shares are registered for resale under the Securities Act (provided that, if the Purchaser is selling pursuant to the effective registration statement registering the Shares for resale, the Purchaser agrees to only sell such Shares during such time that such registration statement is effective and the Purchaser is not aware or has not been notified by the Company

16

that such registration statement has been withdrawn or suspended, and only as permitted by such registration statement); (ii) such Shares are sold or transferred pursuant to Rule 144 (if the transferor is not an affiliate of the Company); or (iii) such Shares are eligible for sale without the requirement for the Company to be in compliance with the current public information required under Rule 144 as to such securities and without volume or manner-of-sale restrictions. Subject to receipt of such representations, and covenants as are contemplated hereby and subject to the restrictions set forth in the Voting and Standstill Agreement, following the earlier of (i) the effective date of the Registration Statement or (ii) Rule 144 becoming available for the resale of the Shares, without the requirement for the Company to be in compliance with the current public information required under Rule 144 as to the Shares and without volume or manner-of-sale restrictions, the Company shall promptly issue to the Company’s transfer agent, if required by the transfer agent, the instructions with respect to legend removal consistent with this Section and shall cause its counsel to deliver any legend removal opinion required by the transfer agent. Any fees associated with the issuance of such opinion or the removal of such legend shall be borne by the Company; provided, however, that the Purchaser shall be responsible for the costs of its counsel and advisors.

5.5 **Restricted Securities.** The Purchaser understands that the Shares are characterized as “restricted securities” under the federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that under such laws and applicable regulations such Shares may be resold without registration under the Securities Act only in certain limited circumstances. In this connection, the Purchaser represents that it is familiar with Rule 144, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act.

**SECTION 6.
CONDITIONS TO COMPANY’S OBLIGATIONS AT THE CLOSING**

The Company’s obligation to complete the sale and issuance of the Shares and deliver Shares to the Purchaser at the Closing shall be subject to the following conditions to the extent not waived by the Company:

6.1 **Receipt of Payment.** The Company shall have received payment, by wire transfer of immediately available funds, in the full amount of the purchase price for the Shares being purchased by the Purchaser at the Closing.

6.2 **Representations and Warranties.** The representations and warranties made by the Purchaser in Section 5 hereof shall be true and correct when made, and shall be true and correct on the Closing Date with the same force and effect as if they had been made on and as of said date. The Purchaser shall have performed in all material respects all obligations and covenants herein required to be performed by them on or prior to the Closing Date.

6.3 **Receipt of Executed Documents.** The Purchaser shall have executed and delivered to the Company the Registration Rights Agreement, the Voting and Standstill Agreement, the Purchaser Questionnaire and the Selling Stockholder Questionnaire.

17

SECTION 7. CONDITIONS TO PURCHASER'S OBLIGATIONS AT THE CLOSING

The Purchaser's obligation to accept delivery of the Shares and to pay for the Shares shall be subject to the following conditions to the extent not waived by the Purchaser:

7.1 **Representations and Warranties Correct.** The representations and warranties made by the Company in Section 4 hereof shall be true and correct as of, and as if made on, the date of this Agreement and the Closing Date, except to the extent any such representation or warranty expressly speaks of an earlier date, in which case such representation or warranty shall be true and correct as of such earlier date. The Company shall have performed in all material respects all obligations and covenants herein required to be performed by it on or prior to the Closing Date.

7.2 **Receipt of Executed Registration Rights Agreement.** The Company shall have executed and delivered to the Purchaser the Registration Rights Agreement.

7.3 **Receipt of Executed Voting and Standstill Agreement.** The Company shall have executed and delivered to the Purchaser the Voting and Standstill Agreement.

7.4 **Certificate.** The Purchaser shall have received a certificate signed by the Chief Executive Officer or the Chief Financial Officer to the effect that the representations and warranties of the Company in Section 4 hereof are true and correct in all material respects as of, and as if made on, the date of this Agreement and as of the Closing Date and that the Company has satisfied in all material respects all of the conditions set forth in this Section 7.

7.5 **Good Standing.** The Company is validly existing as a corporation in good standing under the laws of Delaware.

7.6 **NASDAQ Approval.** The Company shall have filed with NASDAQ a Notification Form: Listing of Additional Shares for the listing of the Shares (which shall have been approved by NASDAQ).

7.7 **Judgments.** No judgment, writ, order, injunction, award or decree of or by any court, or judge, justice or magistrate, including any bankruptcy court or judge, or any order of or by any governmental authority, shall have been issued, and no action or proceeding shall have been instituted by any governmental authority, enjoining or preventing the consummation of the transactions contemplated hereby.

7.8 **Stop Orders.** No stop order or suspension of trading shall have been imposed by NASDAQ, the SEC or any other governmental regulatory body with respect to public trading in the Common Stock.

18

SECTION 8. TERMINATION OF OBLIGATIONS TO EFFECT CLOSING; EFFECTS

8.1 The obligations of the Company, on the one hand, and the Purchaser, on the other hand, to effect the Closing shall terminate as follows:

(a) upon the mutual written consent of the Company and Purchaser;

(b) by the Company if any of the conditions set forth in Section 6 shall have become incapable of fulfillment, and shall not have been waived by the Company; or

(c) by the Purchaser if any of the conditions set forth in Section 7 shall have become incapable of fulfillment, and shall not have been waived by the Purchaser.

8.2 Nothing in this Section 8 shall be deemed to release any party from any liability for any breach by such party of the terms and provisions of this Agreement or the other Transaction Documents or to impair the right of any party to compel specific performance by any other party of its obligations under this Agreement or the other Transaction Documents.

SECTION 9. NO BROKER'S FEES

The Company and the Purchaser hereby represent that there are no brokers or finders entitled to compensation in connection with the sale of the Shares, and shall indemnify each other for any such fees for which they are responsible.

SECTION 10. ADDITIONAL AGREEMENTS OF THE PARTIES

10.1 **NASDAQ Listing.** The Company will use commercially reasonable efforts to continue the listing and trading of its Common Stock on NASDAQ and, in accordance, therewith, will use commercially reasonable efforts to comply in all respects with the Company's reporting, filing and other

obligations under the bylaws or rules of such market or exchange, as applicable.

10.2 **Access to Information.** From the date hereof until the Closing, the Company will make reasonably available to the Purchaser's representatives, consultants and their respective counsels for inspection, such information and documents as the Purchaser reasonably requests, and will make available at reasonable times and to a reasonable extent officers and employees of the Company to discuss the business and affairs of the Company.

10.3 **Termination of Covenants.** The provisions of Section 10.1-10.2 shall terminate and be of no further force and effect on the date on which the Company's obligations under the Registration Rights Agreement to register or maintain the effectiveness of any registration covering the Registrable Securities (as such term is defined in the Registration Rights Agreement) shall terminate.

10.4 **Form D; Blue Sky Filings.** The Company agrees to timely file a Form D with respect to the Shares and to provide a copy thereof, promptly upon request of the Purchaser. The Company shall take such action as the Company shall reasonably determine is necessary in order to obtain an exemption for, or to qualify the Shares for, sale to the Purchaser at the Closing under

19

applicable securities or "Blue Sky" laws of the states of the United States, and shall provide evidence of such actions promptly upon request of the Purchaser.

10.5 **Integration.** The Company shall not, and shall use its commercially reasonable efforts to ensure that no affiliate of the Company shall, sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in Section 2 of the Securities Act) that will be integrated with the offer or sale of the Shares in a manner that would require the registration under the Securities Act of the sale of the Shares to the Purchaser, or that will be integrated with the offer or sale of the Shares for purposes of the rules and regulations of any trading market such that it would require stockholder approval prior to the closing of such other transaction unless stockholder approval is obtained before the closing of such subsequent transaction.

10.6 **Short Sales and Confidentiality After the Date Hereof.** The Purchaser covenants that neither it nor any affiliates acting on its behalf or pursuant to any understanding with it will execute any Short Sales during the period from the date hereof until the earlier of such time as (i) after the transactions contemplated by this Agreement are first publicly announced or (ii) this Agreement is terminated in full. The Purchaser covenants that until such time as the transactions contemplated by this Agreement are publicly disclosed in accordance with Section 10.7, the Purchaser will maintain the confidentiality of all disclosures made to it in connection with this transaction (including the existence and terms of this transaction). The Purchaser understands and acknowledges that the SEC currently takes the position that coverage of short sales of shares of the Common Stock "against the box" prior to effectiveness of a resale registration statement with securities included in such registration statement would be a violation of Section 5 of the Securities Act, as set forth in Item 239.10 of the Securities Act Rules Compliance and Disclosure Interpretations compiled by the Office of Chief Counsel, Division of Corporation Finance.

10.7 **Securities Laws Disclosure; Publicity.** By 9:00 a.m., New York City time, on the third (3rd) business day immediately following the date of this Agreement, each of the Company and the Purchaser shall issue a press release, in each case, reasonably acceptable to the other party, disclosing the transactions contemplated hereby. On or before the fourth trading day immediately following the execution of this Agreement, the Company will file a Current Report on Form 8-K (the "8-K") with the Commission describing the terms of the Transaction Documents (and including as exhibits to such Current Report on Form 8-K the agreements required to be filed in connection therewith). Notwithstanding the foregoing, the Company shall not publicly disclose the name of the Purchaser, or include the name of the Purchaser in any public filing with the Commission or any regulatory agency or NASDAQ, without the prior written consent of the Purchaser, which consent shall not be unreasonably withheld, conditioned or delayed, except: (a) as required by federal securities law in connection with (i) any registration statement contemplated by the Registration Rights Agreement and (ii) the filing of final Transaction Documents with the Commission; (b) the filing of a Form D with the Commission under the Securities Act and (c) to the extent such disclosure is required by law or NASDAQ regulations, in which case the Company shall provide the Purchaser with prior notice of such disclosure permitted under this clause (c). As of the time of the filing of the 8-K, the Purchaser shall not be in possession of any material, non-public information received from the Company, any subsidiary of the Company or any of their respective officers, directors, employees or agents,

20

pursuant to the transactions contemplated by this Agreement that is not disclosed in the 8-K, press release or other disclosure by the Company that complies with the requirements of Regulation FD.

SECTION 11. INDEMNIFICATION

11.1 **Indemnification by the Company.** The Company agrees to indemnify and hold harmless the Purchaser and its directors, officers, shareholders, members, partners, employees and agents, and each Person, if any, who controls any Purchaser (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, shareholders, agents, members, partners, employees or agents of such controlling Person (each, a "Purchaser Indemnified Party"), against any losses, claims, damages, liabilities or expenses, joint or several, to which such Purchaser Indemnified Party may become subject under the Securities Act, the Exchange Act, or any other federal or state statutory law or regulation, or at common law (including in settlement of any litigation, if such settlement is effected with the written consent of the Company), insofar as such losses, claims, damages, liabilities or expenses (or actions in respect thereof as contemplated below) arise out of or are based in whole or in part on (i) any inaccuracy in the representations and warranties of the Company contained in this Agreement or (ii) any failure of the Company to perform its obligations hereunder, and will reimburse each Purchaser Indemnified Party for legal and other expenses reasonably incurred as such expenses are reasonably incurred by such Purchaser Indemnified Party in connection with investigating, defending, settling, compromising or paying such loss, claim, damage, liability, expense or action; provided, however, that the Company will not be liable in any such case to the extent that any such loss, claim, damage, liability or expense arises out of or is based upon (1) the failure of such Purchaser Indemnified Party to comply with the covenants and agreements contained in Section 5, Section 6 and Section 10.6 above respecting sale of the Shares, or (2) the inaccuracy of any representations made by such Purchaser Indemnified Party herein.

11.2 **Indemnification by the Purchaser.** The Purchaser shall indemnify and hold harmless the Company and its directors, officers, shareholders, members, partners, employees and agents, and each Person, if any, who controls the Company (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, shareholders, agents, members, partners, employees or agents of such

controlling Person (each, a “Company Indemnified Party”) against any losses, claims, damages, liabilities or expenses to which such Company Indemnified Party may become subject, under the Securities Act, the Exchange Act, or any other federal or state statutory law or regulation, or at common law or otherwise (including in settlement of any litigation, if such settlement is effected with the written consent of the Purchaser) insofar as such losses, claims, damages, liabilities or expenses (or actions in respect thereof as contemplated below) arise out of or are based upon (i) any failure by the Purchaser to comply with the covenants and agreements contained in Section 5, Section 6 and Section 10.6 above or (ii) the inaccuracy of any representation made by the Purchaser herein, and will reimburse such Company Indemnified Party for any legal and other expense reasonably incurred, as such expenses are reasonably incurred by such Company Indemnified Party in connection with investigating, defending, settling, compromising or paying any such loss, claim, damage, liability, expense or action.

**SECTION 12.
NOTICES**

All notices, requests, consents and other communications hereunder shall be in writing, shall be sent by confirmed facsimile or electronic mail, or mailed by first-class registered or certified airmail, or nationally recognized overnight express courier, postage prepaid, and shall be deemed given when so sent in the case of facsimile or electronic mail transmission, or when so received in the case of mail or courier, and addressed as follows:

if to the Company, to:

T2 Biosystems, Inc.
101 Hartwell Avenue
Lexington, Massachusetts 02421
Attention: General Counsel
Facsimile: (781) 357-3080
E-Mail: mgibbs@t2biosystems.com

with a copy (which shall not constitute notice) to:

Latham & Watkins LLP
John Hancock Tower, 27th Floor
Boston, Massachusetts 02116
Attention: Johan V. Brigham
Facsimile: 617.948.6008
E-mail: Johan.Brigham@lw.com

Evan G. Smith
Facsimile: (617) 948-6001
E-Mail: evan.smith@lw.com

if to the Purchaser, to:

Canon, U.S.A., Inc.
One Canon Park
Melville, New York 11747
Attention: Vice President - Legal
Telephone No.: (631) 330-5660
Facsimile No.: (631) 330-5129
E-Mail: shimelstein@cusa.canon.com

with copies (which shall not constitute notice) to:

Canon, U.S.A., Inc.
One Canon Park
Melville, New York 11747
Attention: Seymour Liebman, Executive Vice President,
Chief Administrative Officer & General Counsel

Telephone No.: (631) 330-5191
Facsimile No.: (631) 330-5193
E-Mail: sliebman@cusa.canon.com

And

Greenberg Traurig, LLP
One International Place, Suite 2000
Boston, Massachusetts 02110
Attention: Bradley A. Jacobson
Facsimile: 617.279.8402
E-mail: jacobsonb@gtlaw.com

, or to such other person, at such other place or in such manner as one party shall designate to other party in writing.

**SECTION 13.
MISCELLANEOUS**

13.1 **Payment of Fees and Expenses.** Each of the Company and the Purchaser shall bear its own expenses and legal fees incurred on its behalf with respect to this Agreement and the transactions contemplated hereby. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

13.2 **Waivers and Amendments.** Neither this Agreement nor any provision hereof may be changed, waived, discharged, terminated, modified or amended except upon the written consent of the Company and the Purchaser.

13.3 **Replacement of Shares.** If the Shares are certificated and any certificate or instrument evidencing any Shares is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation thereof, or in lieu of and substitution therefor, a new certificate or instrument, but only upon receipt of evidence reasonably satisfactory to the Company and the Company's transfer agent of such loss, theft or destruction and the execution by the holder thereof of a customary lost certificate affidavit of that fact and an agreement to indemnify and hold harmless the Company and the Company's transfer agent for any losses in connection therewith or, if required by the transfer agent, a bond in such form and amount as is required by the transfer agent. The applicants for a new certificate or instrument under such circumstances shall also pay any reasonable third-party costs associated with the issuance of such replacement Shares. If a replacement certificate or instrument evidencing any Shares is requested due to a mutilation thereof, the Company may require

23

delivery of such mutilated certificate or instrument as a condition precedent to any issuance of a replacement.

13.4 **Governing Law; Submission to Jurisdiction.** All questions concerning the construction, validity, enforcement and interpretation of the Transaction Documents shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement and any other Transaction Documents (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the County of New York, in the State of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the County of New York, in the State of New York, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is improper or is an inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law.

13.5 **Successors and Assigns.** Except as otherwise expressly provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties hereto. This Agreement, or any rights or obligations hereunder, may not be assigned by either party without the prior written consent of the other.

13.6 **Headings.** The headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be part of this Agreement.

13.7 **Severability.** In case any provision contained in this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

13.8 **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original but which together shall constitute one and the same instrument.

13.9 **Entire Agreement.** This Agreement and other documents delivered pursuant hereto, including the exhibits and the Schedule of Exceptions, constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and thereof.

24

13.10 **Survival.** The representations, warranties, covenants and agreements made in this Agreement shall survive any investigation made by the Company or the Purchaser and the Closing.

[signature pages follow]

25

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the day and year first above written.

COMPANY:

T2 BIOSYSTEMS, INC.

By: /s/ John McDonough

Name: John McDonough

Title: President & CEO

PURCHASER:

CANON U.S.A., INC.

By: /s/ Yoroku Adachi

Name: Yoroku Adachi

Title: Chairman & CEO

STOCK PURCHASE AGREEMENT

APPENDIX I

PURCHASER QUESTIONNAIRE

PURCHASER QUESTIONNAIRE

To: T2 Biosystems, Inc.

This Purchaser Questionnaire (“*Questionnaire*”) must be completed by each potential investor in connection with the offer and sale of the shares of the common stock, par value \$0.001 per share (the “*Securities*”), of T2 Biosystems, Inc., a Delaware corporation (the “*Corporation*”). The Securities are being offered and sold by the Corporation without registration under the Securities Act of 1933, as amended (the “*Securities Act*”), and the securities laws of certain states, in reliance on the exemptions contained in Section 4(a)(2) of the Securities Act and on Regulation D promulgated thereunder and in reliance on similar exemptions under applicable state laws. The Corporation must determine that a potential investor meets certain suitability requirements before offering or selling the Securities to such investor. The purpose of this Questionnaire is to assure the Corporation that each investor will meet the applicable suitability requirements. The information supplied by you will be used in determining whether you meet such criteria, and reliance upon the private offering exemptions from registration is based in part on the information herein supplied.

This Questionnaire does not constitute an offer to sell or a solicitation of an offer to buy any security. By signing this Questionnaire, you will be authorizing the Corporation to provide a completed copy of this Questionnaire to such parties as the Corporation deems appropriate in order to ensure that the offer and sale of the Securities will not result in a violation of the Securities Act or the securities laws of any state and that you otherwise satisfy the suitability standards applicable to purchasers of the Securities. All potential investors must answer all applicable questions and complete, date and sign this Questionnaire. Please print or type your responses and attach additional sheets of paper if necessary to complete your answers to any item.

PART A. BACKGROUND INFORMATION

Name of Beneficial Owner of the Securities:

Business Address:

City: State: Zip Code:

Telephone Number:

If a corporation, partnership, limited liability company, trust or other entity:

Type of entity:

State of formation: Approximate Date of formation:

Were you formed for the purpose of investing in the securities being offered? Yes No

If an individual:

Residence Address:

(Number and Street)

City:

State:

Zip Code:

Telephone Number:

Age:

Citizenship:

Where registered to vote:

Set forth in the space provided below the state(s), if any, in the United States in which you maintained your residence during the past two years and the dates during which you resided in each state:

Are you a director or executive officer of the Corporation? Yes No

Social Security or Taxpayer Identification No.:

PART B. ACCREDITED INVESTOR QUESTIONNAIRE

In order for the Corporation to offer and sell the Securities in conformance with state and federal securities laws, the following information must be obtained regarding your investor status. Please initial each category applicable to you as a purchaser of Securities of the Corporation.

- (1) A bank as defined in Section 3(a)(2) of the Securities Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act whether acting in its individual or fiduciary capacity;
- (2) A broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended (the "Exchange Act");
- (3) An insurance company as defined in Section 2(a)(13) of the Securities Act;
- (4) An investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that act;
- (5) A Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958;
- (6) A plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000;
- (7) An employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such act, which is either a bank, savings and loan association, insurance company or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
- (8) A private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940;
- (9) An organization described in Section 501(c)(3) of the Internal Revenue Code, a corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the Securities, with total assets in excess of \$5,000,000;
- (10) A trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Securities, whose purchase is directed by a sophisticated person who has such knowledge and experience in financial and business matters that such person is capable of evaluating the merits and risks of investing in the Corporation;

-
- (11) A natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds \$1,000,000 (exclusive of the value of that person's primary residence);
 - (12) A natural person who had an individual income in excess of \$200,000 in each of the two most recent years, or joint income with that person's spouse in excess of \$300,000, in each of those years, and has a reasonable expectation of reaching the same income level in the current year;
 - (13) An executive officer or director of the Corporation;
 - (14) An entity in which all of the equity owners qualify under any of the above subparagraphs. If the undersigned belongs to this investor category only, list the equity owners of the undersigned, and the investor category which each such equity owner satisfies.

PART C. BAD ACTOR QUESTIONNAIRE

1. During the past ten years, have you been convicted of any felony or misdemeanor that is related to any securities matter?

Yes (If yes, please continue to Question 1.a)

No (If no, please continue to Question 2)

- a) If your answer to Question 1 was “yes”, was the conviction related to: (i) the purchase or sale of any security; (ii) the making of any false filing with the Securities and Exchange Commission (the “SEC”); or (iii) the conduct of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities?

Yes No

2. Are you subject to any court injunction or restraining order entered during the past five years that is related to any securities matter?

Yes (If yes, please continue to Question 2.a)

No (If no, please continue to Question 3)

- a) If your answer to Question 2 was “yes”, does the court injunction or restraining order currently restrain or enjoin you from engaging or continuing to engage in any conduct or practice related to: (i) the purchase or sale of any security; (ii) the making of any false filing with the SEC; or (iii) the conduct of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities?

Yes No

3. Are you subject to any final order(1) of any governmental commission, authority, agency or officer(2)(2) related to any securities, insurance or banking matter?

(1) A “final order” is defined under Rule 501(g) as a written directive or declaratory statement issued by a federal or state agency described in Rule 506(d)(1)(iii) under applicable statutory authority that provides for notice and an opportunity for a hearing, and that constitutes a final disposition or action by such federal or state agency.

(2) You may limit your response to final orders of: (i) state securities commissions (or state agencies/officers that perform a similar function); (ii) state authorities that supervise or examine banks, savings associations or credit unions; (iii) state insurance commissions (or state agencies/officers that perform a similar function); (iv) federal banking agencies; (v) the U.S. Commodity Futures Trading Commission; or (vi) the U.S. National Credit Union Administration.

Yes (If yes, please continue to Question 3.a)

No (If no, please continue to Question 4)

- a) If your answer to Question 3 was “yes”:

- i) Does the order currently bar you from: (i) associating with an entity regulated by such commission, authority, agency or officer; (ii) engaging in the business of securities, insurance or banking; or (iii) engaging in savings association or credit union activities?

Yes No

- ii) Was the order (i) entered within the past ten years and (ii) based on a violation of any law or regulation that prohibits fraudulent, manipulative or deceptive conduct?

Yes No

4. Are you subject to any SEC disciplinary order?(3)(3)

Yes (If yes, please continue to Question 4.a)

No (If no, please continue to Question 5)

- a) If your answer to Question 4 was “yes”, does the order currently: (i) suspend or revoke your registration as a broker, dealer, municipal securities dealer or investment adviser; (ii) place limitations on your activities, functions or operations; or (iii) bar you from being associated with any particular entity or class of entities or from participating in the offering of any penny stock?

5. Are you subject to any SEC cease and desist order entered within the past five years?

Yes (If yes, please continue to Question 5.a)

No (If no, please continue to Question 6)

- a) If your answer to Question 5 was “yes”, does the order currently require you to cease and desist from committing or causing a violation or future violation of (i) any knowledge-based anti-fraud provision of the U.S. federal securities laws(4) or (ii) Section 5 of the Securities Act?

Yes No

6. Have you been suspended or expelled from membership in, or suspended or barred from association with a member of, a registered national securities exchange or a registered national or affiliated securities association?

(3) You may limit your response to disciplinary orders issued pursuant to Sections 15(b) or 15B(c) of the Exchange Act or Section 203(e) or (f) of the Investment Advisers Act of 1940 (the "Advisers Act").

(4) Including (but not limited to) Section 17(a)(1) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, Section 15(c)(1) of the Exchange Act, and Section 206(1) of the Advisers Act or any other rule or regulation thereunder.

Yes (If yes, please describe the basis of any such suspension or expulsion and any related details in the space provided under Question 10 below)(5)

No (If no, please continue to Question 7)

7. **Have you registered a securities offering with the SEC, made an offering under Regulation A or been named as an underwriter in any registration statement or Regulation A offering statement filed with the SEC?**

Yes (If yes, please continue to Question 7.a)

No (If no, please continue to Question 8)

a) If your answer to Question 7 was "yes":

i) During the past five years, was any such registration statement or Regulation A offering statement the subject of a refusal order, stop order or order suspending the Regulation A exemption?

Yes No

ii) Is any such registration statement or Regulation A offering statement currently the subject of an investigation or proceeding to determine whether a stop order or suspension order should be issued?

Yes No

8. **Are you subject to a U.S. Postal Service false representation order entered within the past five years?**

Yes No

9. **Are you currently subject to a temporary restraining order or preliminary injunction with respect to conduct alleged by the U.S. Postal Service to constitute a scheme or device for obtaining money or property through the mail by means of false representations?**

Yes No

10. **In the space provided below, describe any facts or circumstances that caused you to answer "yes" to any Question (indicating the corresponding Question number). Attach additional pages if necessary.**

(5) In providing additional information, please explain whether or not the suspension or expulsion resulted from "any act or omission to act constituting conduct inconsistent with just and equitable principles of trade."

A. FOR EXECUTION BY AN INDIVIDUAL:

By: _____

Print Name: _____

Date

B. FOR EXECUTION BY AN ENTITY:

Entity Name: _____

By: _____

Print Name: _____

Title: _____

Date

C. ADDITIONAL SIGNATURES (if required by partnership, corporation or trust document):

Entity Name: _____

By: _____

Print Name: _____

Title: _____

Date

Entity Name: _____

By: _____

Print Name: _____

Title: _____

Date

APPENDIX II

SELLING STOCKHOLDER QUESTIONNAIRE

SELLING STOCKHOLDER NOTICE AND QUESTIONNAIRE

Name of Selling Stockholder (please print)

T2 BIOSYSTEMS, INC.

QUESTIONNAIRE FOR SELLING STOCKHOLDERS

IMPORTANT: IMMEDIATE ATTENTION REQUIRED

This Questionnaire is being furnished to all persons or entities (the "Purchasers") electing to purchase shares of Common Stock ("Common Stock") of T2 Biosystems, Inc. (the "Company") pursuant to the Stock Purchase Agreement by and among the Company and the Purchaser (the "Purchase Agreement") to which this Questionnaire is an Appendix. This Questionnaire relates to certain information required to be disclosed in the Registration Statement on Form S-3 (the "Registration Statement") to be prepared by the Company for filing with the United States Securities and Exchange Commission (the "SEC") pursuant to the Registration Rights Agreement entered into by and among the Company and the Purchaser (the "Registration Rights Agreement") in connection with the Purchase Agreement. **The Company must receive a completed Questionnaire from each Purchaser in order to include such Purchaser's shares of Common Stock in the Registration Statement.**

The furnishing of accurate and complete responses to the questions posed in this Questionnaire is an extremely important part of the registration process. The inclusion of inaccurate or incomplete disclosures in the Registration Statement can result in potential liabilities, both civil and criminal, to the Company and to the individuals who furnish the information. Accordingly, Purchaser is advised to consult its own securities law counsel regarding the consequences of being named or not being named as a selling securityholder in the Registration Statement and related prospectus.

PLEASE GIVE A RESPONSE TO EVERY QUESTION, indicating "None" or "Not Applicable" where appropriate. Please complete, sign, and return one copy of this Questionnaire by facsimile, email or overnight courier as soon as possible.

Unless stated otherwise, answers should be given as of the date you complete this Questionnaire. However, it is your responsibility to inform us of any changes that may occur to your situation. If there is any situation about which you have any doubt, or if you are uncertain as to the meaning of any terms used in this Questionnaire, please contact []

PART I - STOCK OWNERSHIP

Item 1. Beneficial Ownership.

a. **Deemed Beneficial Ownership.** Please state the amount of securities of the Company you own on the date you complete this Questionnaire. (If none, please so state in each case.)

Amount Beneficially Owned(1) _____

**Number of Shares of
Common Stock Owned** _____

Please state the number of shares owned by you or by family members, trusts and other organizations with which you have a relationship, and any other shares of which you may be deemed to be the "beneficial owner"(1):

Total Shares: _____

Of such shares: _____

Shares as to which you have sole voting power: _____

Shares as to which you have shared voting power: _____

Shares as to which you have sole investment power: _____

Shares as to which you have shared investment power: _____

Shares which you will have a right to acquire before 60 days after the date you complete this questionnaire through the exercise of options, warrants or otherwise: _____

Do you have any present plans to exercise options or otherwise acquire, dispose of or to transfer shares of Common Stock of the Company between the date you complete this Questionnaire and the date which is 60 days after the date in which the Registration Statement is filed?

Answer:

If so, please describe.

b. Pledged Securities. If any of such securities have been pledged or otherwise deposited as collateral or are the subject matter of any voting trust or other similar agreement or of any contract providing for the sale or other disposition of such securities, please give the details thereof.

Answer:

c. Disclaimer of Beneficial Ownership. Do you wish to disclaim beneficial ownership(1) of any of the shares reported in response to Item 1(a)?

Answer:

If the answer is "Yes", please furnish the following information with respect to the person or persons who should be shown as the beneficial owner(s)(1) of the shares in question.

Name and Address of Actual Beneficial Owner	Relationship of Such Person To You	Number of Shares Beneficially Owned
---	------------------------------------	-------------------------------------

d. Shared Voting or Investment Power over Securities. Will any person be deemed to have beneficial ownership over any of the Securities purchased by you pursuant to the Purchase Agreement?

Answer:

If the answer is "Yes", please furnish the following information with respect to the person or persons who should be shown as the beneficial owner(s)(1) of the Securities in question.

Name and Address of Beneficial Owner	Relationship of Such Person To You	Number of Shares Beneficially Owned
--------------------------------------	------------------------------------	-------------------------------------

Item 2. Major Shareholders. Please state below the names of persons or groups known by you to own beneficially(1) more than 5% of the Company's Common Stock.

Answer:

Item 3. Change of Control. Do you know of any contractual arrangements, including any pledge of securities of the Company, the operation of which may at a subsequent date result in a change of control of the Company?

Answer:

Item 4. Relationship with the Company. Please state the nature of any position, office or other material relationship you have, or have had within the past three years, with the Company or its affiliates.

Name	Nature of Relationship

Item 5. Broker-Dealer Status. Is the Purchaser a broker-dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)?

Yes.

No.

If so, please answer the remaining questions under this Item 5.

Note that the Company will be required to identify any registered broker-dealer as an underwriter in the Registration Statement and related prospectus.

a. If the Purchaser is a registered broker-dealer, please indicate whether the Purchaser purchased its Common Stock for investment or acquired them as transaction-based compensation for investment banking or similar services.

Answer:

Note that if the Purchaser is a registered broker-dealer and received its Common Stock other than as transaction-based compensation, the Company is required to identify the Purchaser as an underwriter in the Registration Statement and related prospectus.

b. Is the Purchaser an affiliate of a registered broker-dealer? For purposes of this Question, an “affiliate” of a specified person or entity means a person or entity that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person or entity specified.

Yes.

No.

If so, please answer questions (i)-(iii) below under this Item 5(b).

i. Please describe the affiliation between the Purchaser and any registered broker-dealers:

ii. If the Common Stock was received by the Purchaser other than in the ordinary course of business, please describe the circumstances:

iii. If the Purchaser, at the time of its receipt of Common Stock, has had any agreements or understandings, directly or indirectly, with any person to distribute the Common Stock, please describe such agreements or understandings:

*Note that if the Purchaser is an affiliate of a broker-dealer and did **not** receive its Common Stock in the ordinary course of business or at the time of receipt had any agreements or understandings, directly or indirectly, to distribute the securities, the Company must identify the Purchaser as an underwriter in the Registration Statement and related prospectus.*

Item 6. Nature of Beneficial Holding. The purpose of this question is to identify the ultimate natural person(s) or publicly held entity that exercise(s) sole or shared voting or dispositive power over the Registrable Securities (as defined in the Registration Rights Agreement).

a. Is the Purchaser a natural person?

Yes.

No.

b. Is the Purchaser required to file, or is it a wholly owned subsidiary of a company that is required to file, periodic and other reports (for example, Form 10-K, 10-Q, 8-K) with the SEC pursuant to Section 13(a) or 15(d) of the Exchange Act?

Yes.

No.

c. Is the Purchaser an investment company, or a subsidiary of an investment company, registered under the Investment Company Act of 1940, as amended?

o Yes.

o No.

If a subsidiary, please identify the publicly held parent entity:

d. If you answered “no” to questions (a), (b) and (c) above, please identify the controlling person(s) of the Purchaser (the “Controlling Entity”). If the Controlling Entity is not a natural person or a publicly held entity, please identify each controlling person(s) of such Controlling Entity. This process should be repeated until you reach natural persons or a publicly held entity that exercises sole or shared voting or dispositive power over the Registrable Securities:

*****PLEASE NOTE THAT THE SEC REQUIRES THAT THESE NATURAL PERSONS BE NAMED IN THE PROSPECTUS*****

PART II - CERTAIN TRANSACTIONS

Item 7. Transactions with the Company. If you, any of your associates(2), or any member of your immediate family(3) had or will have any direct or indirect material interest in any transactions(4) or series of transactions to which the Company or any of its subsidiaries was a party at any time since January 1, 2015, or in any currently proposed transactions or series of transactions in which the Company or any of its subsidiaries will be a party, in which the amount involved exceeds \$120,000, please specify (a) the names of the parties to the transaction(s) and their relationship to you, (b) the nature of the interest in the transaction, (c) the amount involved in the transaction, and (d) the amount of the interest in the transaction. If the answer is “none”, please so state.

Answer:

Item 8. Third Party Payments. Please describe any compensation paid to you by a third party pursuant to any arrangement between the Company and any such third party.

Answer:

PART III — PLAN OF DISTRIBUTION

The selling stockholder and any of its pledgees, donees, transferees, assignees or other successors-in-interest may, from time to time, sell, transfer or otherwise dispose of any or all of their shares of common stock or interests in shares of common stock on any stock exchange, market or trading facility on which the shares are traded or in private transactions. These dispositions may be at fixed prices, at prevailing market prices at the time of sale, at prices related to the prevailing market price, at varying prices determined at the time of sale, or at negotiated prices. The selling stockholder may use one or more of the following methods when disposing of the shares or interests therein:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
 - block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;
 - through brokers, dealers or underwriters that may act solely as agents;
 - purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
 - an exchange distribution in accordance with the rules of the applicable exchange;
 - privately negotiated transactions;
 - through the writing or settlement of options or other hedging transactions entered into after the effective date of the registration statement of which this prospectus is a part, whether through an options exchange or otherwise;
 - broker-dealers may agree with the selling stockholder to sell a specified number of such shares at a stipulated price per share;
 - one or more underwritten offerings on a firm commitment or best efforts basis;
 - a combination of any such methods of disposition; and
 - any other method permitted pursuant to applicable law.
-

The selling stockholder may also sell shares under Rule 144 under the Securities Act of 1933, as amended, or Securities Act, if available, rather than under this prospectus.

Broker-dealers engaged by the selling stockholder may arrange for other broker-dealers to participate in sales. Broker-dealers may receive commissions or discounts from the selling stockholder (or, if any broker-dealer acts as agent for the purchaser of shares, from the purchaser) in amounts to be negotiated. The selling stockholder does not expect these commissions and discounts to exceed what is customary in the types of transactions involved.

The selling stockholder may from time to time pledge or grant a security interest in some or all of the shares of common stock owned by its and, if it defaults in the performance of its secured obligations, the pledgees or secured parties may offer and sell shares of common stock from time to time under this

prospectus, or under a supplement or amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act amending the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus.

Upon being notified in writing by the selling stockholder that any material arrangement has been entered into with a broker-dealer for the sale of common stock through a block trade, special offering, exchange distribution or secondary distribution or a purchase by a broker or dealer, we will file a supplement to this prospectus, if required, pursuant to Rule 424(b) under the Securities Act, disclosing (i) the name of such selling stockholder and of the participating broker-dealer(s), (ii) the number of shares involved, (iii) the price at which such shares of common stock were sold, (iv) the commissions paid or discounts or concessions allowed to such broker-dealer(s), where applicable, (v) that such broker-dealer(s) did not conduct any investigation to verify the information set out or incorporated by reference in this prospectus, and (vi) other facts material to the transaction. In addition, upon being notified in writing by the selling stockholder that a donee or pledge intends to sell more than 500 shares of common stock, we will file a supplement to this prospectus if then required in accordance with applicable securities law.

The selling stockholder also may transfer the shares of common stock in other circumstances, in which case the transferees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

In connection with the sale of the shares of common stock or interests in shares of common stock, the selling stockholder may enter into hedging transactions after the effective date of the registration statement of which this prospectus is a part with broker-dealers or other financial institutions, which may in turn engage in short sales of the common stock in the course of hedging the positions they assume. The selling stockholder may also sell shares of common stock short after the effective date of the registration statement of which this prospectus is a part and deliver these securities to close out their short positions, or loan or pledge the common stock to broker-dealers that in turn may sell these securities. The selling stockholder may also enter into option or other transactions after the effective date of the registration statement of which this prospectus is a part with broker-dealers or other financial institutions or the creation of one or more derivative securities which require the delivery to such broker-dealer or other financial institution of shares offered by this prospectus, which shares such broker-dealer or other

financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction).

The selling stockholder and any broker-dealers or agents that are involved in selling the shares may be deemed to be “underwriters” within the meaning of the Securities Act in connection with such sales. In such event, any commissions received by such broker-dealers or agents and any profit on the resale of the shares purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act. The maximum commission or discount to be received by any member of the Financial Industry Regulatory Authority (FINRA) or independent broker-dealer will not be greater than 8% of the initial gross proceeds from the sale of any security being sold.

We have advised the selling stockholder that it is required to comply with Regulation M promulgated under the Securities Exchange Act during such time as it may be engaged in a distribution of the shares. The foregoing may affect the marketability of the common stock.

The aggregate proceeds to the selling stockholder from the sale of the common stock offered by it will be the purchase price of the common stock less discounts or commissions, if any. The selling stockholder reserves the right to accept and, together with its agents from time to time, to reject, in whole or in part, any proposed purchase of common stock to be made directly or through agents. We will not receive any of the proceeds from this offering.

We are required to pay all fees and expenses incident to the registration of the shares. We have agreed to indemnify the selling stockholder against certain losses, claims, damages and liabilities, including liabilities under the Securities Act or otherwise.

We have agreed with the selling stockholder to keep the registration statement of which this prospectus constitutes a part effective until the earlier of (a) such time as all of the shares covered by this prospectus have been disposed of pursuant to and in accordance with the registration statement, and (b) the date on which the shares of common stock covered by this prospectus may be sold by non-affiliates without any volume or manner of sale restrictions or current public information pursuant to Rule 144 of the Securities Act.

* * *

The undersigned has reviewed the Plan of Distribution set forth above and does not have a present intention of effecting a sale in a manner not described therein.

Agree Disagree
(If left blank, response will be deemed to be “Agree”.)

The undersigned hereby represents that the undersigned understands, pursuant to Securities Act Sections Compliance and Disclosure Interpretations Section 239.10, a copy of which is attached hereto as Exhibit 1, that the undersigned may not make any short sale of the Common Stock prior to the effectiveness of the Registration Statement, and further covenants to the Company that the undersigned will not engage in any short sales of such stock to be registered under the Registration Statement prior to its effectiveness.

SIGNATURE

The undersigned understands that the Company anticipates filing the Registration Statement within the time frame set forth in the Registration Rights Agreement. If at any time any of the information set forth in my responses to this Questionnaire has materially changed due to passage of time (other than due to the receipt of the Common Stock set forth opposite the undersigned’s name in the Schedule of Purchasers in the Purchase Agreement), or any development occurs which requires a change in any of my answers, or has for any other reason become incorrect, the undersigned agrees to furnish as soon as practicable to the individual to whom a copy of this Questionnaire is to be sent, as indicated and at the address shown on the first page hereof, any necessary or appropriate correcting information. Otherwise, the Company is to understand that the above information continues to be, to the best of my knowledge, information and belief, complete and correct.

Upon any sale of Common Stock pursuant to the Registration Statement, the undersigned hereby agrees to deliver to the Company and the Company's transfer agent the Certificate of Subsequent Sale set forth in Exhibit I hereto.

The undersigned understands that the information that the undersigned is furnishing to the Company herein will be used by the Company in the preparation of the Registration Statement.

Name of Purchaser: _____

Date: _____, 2016

Signature: _____

Print Name: _____

Title (if applicable): _____

Address: _____

FOOTNOTES

1. **Beneficial Ownership.** You are the beneficial owner of a security, as defined in Rule 13d-3 under the Securities Exchange Act of 1934 (the "Exchange Act"), if you, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise have or share: (1) voting power, which includes the power to vote, or to direct the voting of, such security, and/or (2) investment power, which includes the power to dispose, or to direct the disposition of, such security. You are also the beneficial owner of a security if you, directly or indirectly, create or use a trust, proxy, power of attorney, pooling arrangement or any other contract, arrangement or device with the purpose or effect of divesting yourself of beneficial ownership of a security or preventing the vesting of such beneficial ownership.

You are deemed to be the beneficial owner of a security if you have the right to acquire beneficial ownership of such security at any time within 60 days including, but not limited to, any right to acquire such security (a) through the exercise of any option, warrant or right, (b) through the conversion of a security, or (c) pursuant to the automatic termination of, or the power to revoke a trust, discretionary account, or similar arrangement.

Ordinarily, shares held in the name of your spouse or minor child should be considered as beneficially owned by you absent special circumstances to indicate that you do not have, as a practical matter, voting power or investment power over such shares. Similarly, absent countervailing facts, securities held in the name of relatives who share your home are to be reported as being beneficially owned by you. In addition, securities held for your benefit in the name of others, such as nominees, trustees and other fiduciaries, securities held by a partnership of which you are a partner, and securities held by a corporation controlled by you should be regarded as beneficially owned by you.

This definition of beneficial ownership is very broad; therefore, even though you may not actually have or share voting or investment power with respect to securities owned by persons in your family or living in your home, you should include such shares in your beneficial ownership disclosure and may then disclaim beneficial ownership of such securities.

2. **Associate.** The term "associate", as defined in Rule 14a-1 under the Exchange Act, means (a) any corporation or organization (other than the Company or any of its majority owned subsidiaries) of which you are an officer or partner or are, directly or indirectly, the beneficial owner of 10% or more of any class of equity securities, (b) any trust or other estate in which you have a substantial beneficial interest or as to which you serve as trustee or in a similar capacity, and (c) your spouse, or any relative of yours or relative of your spouse living in your home or who is a director or officer of the Company or of any subsidiary. The term "relative of yours" as used in this Questionnaire refers to any relative or spouse of yours, or any relative of such spouse, who has the same home as you or who is a director or officer of any subsidiary of the Company.

Please identify your associate referred to in your answer and indicate your relationship.

-
3. **Immediate Family.** The members of your "immediate family" are deemed to include the following: your spouse; your parents; your children; your siblings; your mother-in-law or father-in-law; your sons- and daughters-in-law; and your brothers- and sisters-in-law.
 4. **Transactions.** The term "transaction" is to be understood in its broadest sense, and includes the direct or indirect receipt of anything of value. Please note that indirect as well as direct material interests in transactions are to be disclosed. Transactions in which you would have a direct interest would include your purchasing or leasing anything (stock in a business acquired by the Company, office space, plants, Company apartments, computers, raw materials, finished goods, etc.) from or selling or leasing anything to, or borrowing or lending cash or other property from or to, the Company, or any subsidiary.
-

Exhibit 1

Securities Act Sections Compliance and Disclosure Interpretations Section 239.10: "An issuer filed a Form S-3 registration statement for a secondary offering of common stock which is not yet effective. One of the selling shareholders wanted to do a short sale of common stock "against the box" and cover the short sale with registered shares after the effective date. The issuer was advised that the short sale could not be made before

the registration statement becomes effective, because the shares underlying the short sale are deemed to be sold at the time such sale is made. There would, therefore, be a violation of Section 5 if the shares were effectively sold prior to the effective date.”

Exhibit I

CERTIFICATE OF SUBSEQUENT SALE

American Stock Transfer & Trust Company, LLC

RE: Sale of Shares of Common Stock of T2 Biosystems, Inc. (the “Company”) pursuant to the Company’s Prospectus dated _____, (the “Prospectus”)

Dear Sir/Madam:

The undersigned hereby certifies, in connection with the sale of shares of Common Stock of the Company included in the table of Selling Stockholders in the Prospectus, that the undersigned has sold the shares pursuant to the Prospectus and in a manner described under the caption “Plan of Distribution” in the Prospectus and that such sale complies with all securities laws applicable to the undersigned, including, without limitation, the Prospectus delivery requirements of the Securities Act of 1933, as amended.

Selling Stockholder (the beneficial owner): _____

Record Holder (e.g., if held in name of nominee): _____

Book Entry Position or Restricted Stock Certificate No.(s): _____

Number of Shares Sold: _____

Date of Sale: _____

In the event that you receive a stock certificate(s) or evidence of a book entry position representing more shares of Common Stock than have been sold by the undersigned, then you should return to the undersigned a newly issued certificate or book entry position for such excess shares in the name of the Record Holder and **BEARING A RESTRICTIVE LEGEND**. Further, you should place a stop transfer on your records with regard to such certificate. Notwithstanding the foregoing, in the event that the undersigned executes and delivers to you and to the Company the certification set forth on Annex I, upon instructions from the Company, you should return to the undersigned a newly issued certificate or book entry position for such excess shares of Common Stock in the name of the Record Holder without any restrictive legend. In addition, no subsequent certification will be required to be delivered to you by the

undersigned provided that the representations and warranties set forth on Annex I have been delivered to you and continue to be accurate.

Very truly yours,

Dated: _____ By: _____

Print Name: _____

Title: _____

cc: T2 Biosystems, Inc.
101 Hartwell Avenue
Lexington, Massachusetts 02421
Attention: General Counsel

Annex I

In connection with any excess shares to be returned to the Selling Stockholder upon a sale of shares of Common Stock of T2 Biosystems, Inc. (the “Company”) included in the table of Selling Stockholders in the Prospectus, the undersigned hereby certifies to the Company and American Stock Transfer & Trust Company, LLC, that:

1. In connection with the sale by the undersigned stockholder of any of the shares of Common Stock pursuant to the Prospectus, the undersigned stockholder will deliver a copy of the Prospectus included in the Registration Statement to the purchaser directly or through the undersigned

stockholder's broker-dealer in compliance with the requirements of the Securities Act of 1933 and the Securities Exchange Act of 1934.

2. Any such sale will be made only in the manner described under "Plan of Distribution" in the Prospectus.
3. The undersigned stockholder will only sell the shares of Common Stock while the Registration Statement is effective, unless another exemption from registration is available.
4. The Company and its attorneys may rely on this letter to the same extent as if it were addressed to them.
5. The undersigned stockholder agrees to notify you immediately of any development or occurrence which to his, her or its knowledge would render any of the foregoing representations and agreements inaccurate.

All terms not defined herein are as defined in the Stock Purchase Agreement entered into in September 2016 among the Company and the Purchaser.

Very truly yours,

Dated: _____ By: _____

Print Name: _____

Title: _____

APPENDIX III

REGISTRATION RIGHTS AGREEMENT

APPENDIX IV

VOTING AND STANDSTILL AGREEMENT

SCHEDULE OF EXCEPTIONS

September 21, 2016

This Schedule of Exceptions is being furnished by T2 Biosystems, Inc., a Delaware corporation, (the "Company"), to the Purchaser party to that certain Stock Purchase Agreement of even date herewith by and among the Company and such Purchaser (the "Agreement") in connection with the execution and delivery of the Agreement, pursuant to Section 4 of the Agreement. Unless the context otherwise requires, all capitalized terms used in this Schedule of Exceptions shall have the respective meanings ascribed to such terms in the Agreement.

This Schedule of Exceptions and the information, descriptions and disclosures included herein is intended to set forth exceptions to the representations and warranties of the Company contained in the Agreement. The contents of all agreements and other documents referred to in a particular section of this Schedule of Exceptions are incorporated by reference into such particular section as though fully set forth in such section.

Section 4.6

Capitalization

Certain Company stockholders were granted registration rights pursuant to that Fourth Amended and Restated Investors' Rights Agreement, dated as of March 22, 2013, as amended, filed as Exhibit 4.2 to that certain Amendment No. 2 to Form S-1 filed with the Commission on July 28, 2014.

Section 4.9

No Default or Consents

Section 3.2(c) of the Loan and Security Agreement, dated as of July 11, 2014, with Solar Capital Ltd. as collateral agent, and the lenders party thereto, filed as Exhibit 10.19 to that certain Amendment No. 1 to Form S-1 filed with the Commission on July 16, 2014, as amended (the "Solar Agreement"), contains a subjective acceleration clause whereby an event of default and immediate acceleration of all amounts owed thereunder occurs if the Company experiences a material adverse change in the business, operations or condition (financial or otherwise) or a material impairment of the prospect of repayment of any portion of the obligations thereunder.

The following documents contain a cross-default provision pursuant to which an event of default under the Solar Agreement may entitle the lender to declare an event of default and acceleration of all amounts owed to such lender thereunder:

- Section 7.11 of the Promissory Note, dated May 9, 2011, issued by the Company to Massachusetts Development Finance Agency, filed as Exhibit 10.18 to that certain Form S-1 filed with the Commission on July 2, 2014

1

- Section 8.6 of the Loan and Security Agreement, dated as of August 30, 2007, with Silicon Valley Bank, filed as Exhibit 10.15 to that certain Form S-1 filed with the Commission on July 2, 2014

Section 4.15

Compliance with Continued NASDAQ Listing Requirements

On August 31, 2016, Harry Wilcox resigned as a member of the Board and the Audit Committee of the Board. As a result the Audit Committee currently has two members.

2

SCHEDULE 1

Form of Affiliate Legend

“THE SHARES REPRESENTED BY THIS CERTIFICATE ARE HELD BY AN AFFILIATE OF THE ISSUER AS DEFINED IN RULE 144 PROMULGATED UNDER THE SECURITIES ACT OF 1933 AND MAY ONLY BE SOLD OR OTHERWISE TRANSFERRED IN COMPLIANCE WITH THE REQUIREMENTS OF RULE 144 OR PURSUANT TO A REGISTRATION STATEMENT UNDER SAID ACT OR AN EXEMPTION FROM SUCH REGISTRATION.”

VOTING AND STANDSTILL AGREEMENT

This Voting and Standstill Agreement (this “Agreement”) is dated as of September 21, 2016, by and between T2 Biosystems, Inc., a Delaware corporation (the “Company”), Canon U.S.A., Inc., a New York corporation (the “Investor”).

RECITALS

A. The Stock Purchase Agreement, dated as of September 21, 2016, by and between the Company and the Investor (the “Purchase Agreement”), provides for the issuance and sale by the Company to the Investor, and the purchase by the Investor, of shares (collectively, the “Purchased Shares”) of the Company’s common stock, par value \$0.001 per share (the “Common Stock”); and

B. As a condition to consummating the transactions contemplated by the Purchase Agreement, the Investor and the Company have agreed upon certain rights and restrictions as set forth herein with respect to the Purchased Shares and other securities of the Company beneficially owned by the Investor and its Affiliates, and it is a condition to the closing under the Purchase Agreement that this Agreement be executed and delivered by the Investor and the Company.

AGREEMENT

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and the Investor agree as follows:

SECTION 1. DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings:

“Acquisition Proposal” shall have the meaning set forth in Section 2.1(a)(iii).

“Affiliate” shall mean, with respect to any Person, any other Person directly or indirectly Controlling, Controlled by, or under common Control with such Person; provided, however, that the Company, any of its subsidiaries or any of the Company’s other Controlled Affiliates, in each case, will not be deemed Affiliates of the Investor for purposes of this Agreement.

“Agreement” shall have the meaning set forth in the Preamble to this Agreement.

“beneficial owner,” “beneficially owns,” “beneficial ownership” and terms of similar import used in this Agreement shall, with respect to a Person, have the meaning set forth in Rule 13d-3 under the Exchange Act (a) assuming the full conversion into, and exercise and exchange for, shares of Common Stock of all Common Stock Equivalents beneficially owned

by such Person and (b) determined without regard for the number of days in which such Person has the right to acquire such beneficial ownership.

“Board of Directors” shall mean the Board of Directors of the Company.

“Business Day” shall mean a day on which commercial banking institutions in New York, New York are open for business.

“Change of Control” shall mean, with respect to the Company, any of the following events: (a) any Person or Group is or becomes the beneficial owner, directly or indirectly, of a majority of the total voting power represented by all Shares of Then Outstanding Common Stock; (b) the Company consolidates with or merges into another corporation or entity, or any corporation or entity consolidates with or merges into the Company, other than (i) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) a majority of the combined voting power of the voting securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, or (ii) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person becomes the beneficial owner, directly or indirectly, of a majority of the total voting power of all Shares of Then Outstanding Common Stock; (c) the Company conveys, transfers or leases all or substantially all of its assets to any Person other than a wholly owned Affiliate of the Company or (d) individuals who constitute Continuing Directors cease for any reason to constitute at least a majority of the Board of Directors.

“Closing Date” shall have the meaning set forth in the Purchase Agreement.

“Common Stock” shall have the meaning set forth in the Preamble to this Agreement.

“Common Stock Equivalents” shall mean any options, warrants or other securities or rights convertible into or exercisable or exchangeable for, whether directly or following conversion into or exercise or exchange for other options, warrants or other securities or rights, shares of Common Stock.

“Company” shall have the meaning set forth in the Preamble to this Agreement.

“Competitor” shall mean any operating company with an *in vitro* diagnostics business or any Affiliate thereof.

“Continuing Directors” shall mean the directors of the Company on the date hereof, and each other director, if in each case, such other director’s nomination for election to the Board of Directors was recommended by, or whose appointment to the Board of Directors was approved by, at least a majority of the other Continuing Directors.

“Control” (including the correlative terms “Controlled by,” “Controlling,” and “under common Control with”), as applied to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership or voting of securities, by contract or otherwise.

“Controlled Affiliate” shall mean, with respect to a Person, an Affiliate of such Person Controlled by such Person.

“Covered Persons” shall have the meaning set forth in Section 4.5.

“Disposition” or “Dispose of” shall mean any direct or indirect (a) offer, pledge (other than pledges in connection with bona fide debt financing transactions involving a general lien on assets of the Investor), sale, contract to sell, sale of any option or contract to purchase, purchase of any option or contract to sell, grant of any option, right or warrant for the sale of, or other disposition of or transfer of any shares of Common Stock, or any Common Stock Equivalents, including, without limitation, any “short sale” or similar arrangement; (b) swap, hedge, derivative instrument, or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of shares of Common Stock, whether any such swap or transaction is to be settled by delivery of securities, in cash or otherwise; (c) engagement in any short selling of any shares of Common Stock or Common Stock Equivalents; or (d) publicly-announced intention to effect a transaction specified in clause (a), (b) or (c).

“Exchange Act” shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

“Governmental Authority” shall mean any court, agency, authority, department, regulatory body or other instrumentality of any government or country or of any national, federal, state, provincial, regional, county, city or other political subdivision of any such government or country or any supranational organization of which any such country is a member.

“Group” shall mean two or more Persons acting as a partnership, limited partnership, syndicate or other group within the meaning of Section 13(d) of the Exchange Act.

“Initial Designee” shall have the meaning set forth in Section 4.4.

“Investor” shall have the meaning set forth in the Preamble to this Agreement.

“Investor Designee” shall have the meaning set forth in Section 4.4.

“Law” or “Laws” shall mean all laws, statutes, rules, regulations, orders, judgments, injunctions and/or ordinances of any Governmental Authority.

“Modified Clause” shall have the meaning set forth in Section 8.7.

3

“Non-Controlled Affiliate” shall mean, with respect to a Person, an Affiliate of such Person that is not a Controlled Affiliate of such Person.

“Offered Securities” shall have the meaning set forth in Section 2.2.

“Offering Cap” shall mean, with respect to a Public Offering or Private Placement, the lesser of (i) (A) the total number of Offered Securities to be sold in such offering multiplied by (B) a fraction, the numerator of which is the number of shares of Common Stock beneficially owned by the Investor and its Affiliates as of immediately prior to the closing of such Public Offering or Private Placement, and the denominator of which is the Shares of Then Outstanding Common Stock immediately prior to the closing of such offering and (ii) a number of Offered Securities that would result in the Investor and its Affiliates beneficially owning 19.9% of the Shares of Then Outstanding Common Stock immediately after the closing of such offering; provided, however, that the Investor shall have the right to cure, or to cause a Non-Controlled Affiliate to cure, within a reasonable time following written notice from the Company, any inadvertent contravention of the Offering Cap caused by the beneficial ownership of Common Stock or Common Stock Equivalents by a Non-Controlled Affiliate of the Investor to the reasonable satisfaction of the Company; provided, further, that any such contravention of the Offering Cap does not, based on the reasonable advice of counsel to the Company, violate Rule 5635 of the Nasdaq Listing Rules or applicable law or cause the Company to seek stockholder approval in relation thereto.

“Original Public Acquisition Proposal” shall have the meaning set forth in Section 2.1(b)(i).

“Permitted Issuance” shall mean any issuance by the Company of Common Stock or Common Stock Equivalents (a) to the Company or a Subsidiary of the Company, (b) to officers, employees, directors or, consultants of the Company or any of its Subsidiaries or other eligible participants pursuant to the Company’s Board of Directors-approved equity incentive plans and the securities issued upon exercise or conversion thereof, (c) as consideration in a merger or acquisition of the stock or assets of another Person, (d) upon the occurrence of a stock split, stock dividend or any subdivision of the Common Stock, or any other reclassification or other similar recapitalization, (e) pursuant to the conversion or exchange of any securities of the Company into capital stock of the Company, or the exercise of any warrants or other rights to acquire capital stock of the Company, in each case, that are either outstanding on the Closing Date or that are issued in accordance with Section 2.2 hereof; (f) in connection with any private placement of warrants to purchase capital stock of the Company to lenders or other institutional investors (excluding the Company’s stockholders) in any arm’s length transaction approved by the Board in which such lenders or investors provide non-convertible debt financing to the Company or any Subsidiary of the Company; (g) in connection with a joint venture, strategic alliance or other commercial relationship with any Person (including Persons that are customers, suppliers and strategic partners of the Company or any Subsidiary) relating to the operation of the Company’s or any Subsidiary’s business and for which a primary purpose thereof is not raising capital; or (h) in connection with any office lease or equipment lease or similar equipment financing

4

transaction approved by the Board of Directors in which the Company or any Subsidiary obtains from a lessor or vendor the use of such office space or equipment for its business.

“Permitted Transfer” shall mean any (a) transfer to a Controlled Affiliate of the Investor or a parent holding company of Investor, provided that (i) the Investor shall have, within five (5) days prior to such transfer, furnished to the Company written notice of the name and address of such permitted transferee, details of its status as a permitted transferee and details of the shares of Common Stock and/or Common Stock Equivalents to be transferred, (ii) the permitted transferee, prior to or simultaneously with such transfer, shall have agreed in writing to be subject to and bound by all restrictions and obligations set forth in this Agreement as though it were the Investor hereunder and (iii) the Investor acknowledges that it continues to be bound by all restrictions and obligations set forth in this Agreement, (b) transfer with the prior written consent of the Company, and (c) tender of any Common Stock into a Third Party Tender Offer or any transfer effected pursuant to any merger, consolidation, recapitalization or similar transaction consummated by the Company that is approved by a majority of the Board of Directors.

“Person” shall mean any individual, partnership, firm, corporation, association, trust, unincorporated organization, government or any department or agency thereof or other entity.

“Private Placement” shall have the meaning set forth in Section 2.2.

“Proprietary Information” shall mean all information about the Company or any third party that is furnished by the Company or its Representatives to the Investor before the date hereof, now or in the future. Proprietary Information does not include, however, any information that (a) is or becomes generally available to the public other than as a result of a disclosure by the Investor, any of its Affiliates or any of their respective Representatives in violation of this Agreement; (b) was available to the Investor, any of its Affiliates or any of their respective Representatives on a non-confidential basis prior to its disclosure by the Company or its Representatives; (c) becomes available to the Investor, any of its Affiliates or any of their respective Representatives from a Person other than the Company or its Representatives who is not known by the Investor, its Affiliate, or such Representative, as applicable, to be subject to any legally binding obligation to keep such information confidential; or (d) was independently developed by the Investor, any of its Affiliates or any of their respective Representatives without reference to or use of the Proprietary Information.

“Public Offering” shall have the meaning set forth in Section 2.2.

“Purchase Agreement” shall have the meaning set forth in the Preamble to this Agreement, and shall include all appendices, exhibits and schedules attached thereto.

“Purchased Shares” shall have the meaning set forth in the Preamble to this Agreement, and shall be adjusted for (a) any stock split, stock dividend, share exchange, merger, consolidation or similar recapitalization and (b) any Common Stock issued as (or issuable upon the exercise of any warrant, right or other security that is issued as) a dividend

5

or other distribution with respect to, or in exchange or in replacement of, the Purchased Shares.

“Qualified Investor Designee” shall have the meaning set forth in Section 4.4.

“Qualifying Public Acquisition Proposal” shall mean, as it relates to any Original Public Acquisition Proposal, any proposal, offer, inquiry or indication of interest (whether binding or non-binding, and whether communicated to the Company, the Board of Directors or publicly announced to the Company’s stockholders or otherwise) by a Standstill Party relating to an alternative Acquisition Proposal.

“Registration Rights Agreement” shall mean the Registration Rights Agreement by and between the Company and the Investor of even date herewith.

“Replacement Designee” shall have the meaning set forth in Section 4.4.

“Representatives” shall mean, as to any Person, its directors, officers, employees, agents and attorneys.

“Restricted Period” shall mean the period commencing on the Closing Date and ending on the date that is eighteen (18) months thereafter.

“SEC” shall mean the United States Securities and Exchange Commission.

“Securities Act” shall mean the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

“Shares of Then Outstanding Common Stock” shall mean, at any time, the issued and outstanding shares of Common Stock at such time.

“Standstill Parties” shall have the meaning set forth in Section 2.1.

“Standstill Period” shall mean the period commencing on the Closing Date and ending on the date that is twenty four (24) months thereafter.

“Subsidiary” or “Subsidiaries” means, with respect to any Person, any corporation more than 50% of the voting stock of which is owned directly or indirectly by such Person, and any partnership, association, joint venture or other entity in which such Person owns directly or indirectly more than 50% of the equity interests or has the power to elect a majority of the board of directors or other governing body.

“Third Party” shall mean any Person other than the Investor, the Company or any of their respective Affiliates.

“Third Party Tender Offer” shall have the meaning set forth in Section 3.3.

6

SECTION 2.
STANDSTILL AND RIGHTS WITH RESPECT TO CERTAIN OFFERINGS

2.1 **Standstill.**

(a) During the Standstill Period, neither the Investor nor any of its Controlled Affiliates (collectively, the “Standstill Parties”) shall (and such Investor shall cause its Controlled Affiliates not to), except as expressly contemplated by this Agreement and the Purchase Agreement:

(i) directly or indirectly, acquire, offer to acquire, or agree to acquire beneficial ownership of Shares of Then Outstanding Common Stock and/or Common Stock Equivalents, or make a tender, exchange or other offer to acquire Shares of Then Outstanding Common Stock and/or Common Stock Equivalents;

(ii) directly or indirectly, seek to have called any meeting of the stockholders of the Company, propose or nominate for election to the Company’s Board of Directors any person whose nomination has not been approved by a majority of the Company’s Board of Directors or cause to be voted in favor of such person for election to the Company’s Board of Directors any Shares of Then Outstanding Common Stock;

(iii) directly or indirectly, make any public announcement with respect to, or submit a proposal for or offer of any transaction, or encourage or support a (or a proposal for) a tender offer, exchange offer, merger, consolidation, acquisition, arrangement, business combination, recapitalization, sale or acquisition of all or substantially all assets or other extraordinary transaction involving the Company (an “Acquisition Proposal”) by any Third Party, provided this clause shall not preclude the tender by the Investor or any permitted transferee of any securities of the Company in a Third Party Tender Offer or the vote by the Investor or such permitted transferee with respect to any Acquisition Proposal in accordance with the recommendation of the Board of Directors;

(iv) directly or indirectly, solicit proxies or consents or become a participant in a solicitation (as such terms are defined in Regulation 14A under the Exchange Act) in opposition to the recommendation of a majority of the Board of Directors with respect to any matter, or seek to advise or influence any Third Party, with respect to voting of any Shares of Then Outstanding Common Stock of the Company;

(v) deposit any Shares of Then Outstanding Common Stock in a voting trust or subject any Shares of Then Outstanding Common Stock to any arrangement or agreement with respect to the voting of such Shares of Then Outstanding Common Stock other than as contemplated by arrangements or agreements with other Standstill Parties;

(vi) otherwise act or seek to control the Board of Directors or the management or policies of the Company;

(vii) enter into discussions, negotiations, arrangements or agreements or act in concert or form, join or participate in a Group with any Third Party relating to the

7

foregoing actions referred to in (i) through (vi) above or take any action that could reasonably be expected to require the Company to make a public announcement regarding the possibility of any such events; or

(viii) publicly request or propose in writing to the Company’s Board of Directors, any member(s) thereof or any officer of the Company that the Company amend, waive, or consider the amendment or waiver of, any provisions set forth in this Section 2.1.

(b) Notwithstanding anything in this Section 2 to the contrary:

(i) the Standstill Parties shall not be prohibited or restricted from making and submitting (A) to the Company and/or the Board of Directors, any Acquisition Proposal that is intended by a Standstill Party to be made and submitted on a non-publicly disclosed or announced basis, or any confidential request for the Company and/or the Board of Directors to waive, amend or provide a release of any provision of this Section 2.1 (whether or not in connection with such Acquisition Proposal); and (B) to the Company, the Board of Directors, and/or the Company’s stockholders, following any Acquisition Proposal received (or entered into) by the Company, the Board of Directors or the Company’s stockholders by any Person or Group other than the Investor or any of its Affiliates that is, was or becomes, publicly disclosed or announced other than by the Standstill Parties in contravention of this Agreement (including as a result of being approved by the Board or otherwise the subject of any agreement, contract or understanding with the Company) (the “Original Public Acquisition Proposal”), a Qualifying Public Acquisition Proposal (which such Qualifying Public Acquisition Proposal may, for the avoidance of doubt, include requests for the Company and/or the Board to waive, amend or provide a release of any provision of Section 2.1(a)), or from taking any other action, whether or not otherwise restricted by Section 2.1(a), in connection with making, submitting, negotiating, effectuating or implementing any such Qualifying Public Acquisition Proposal (or any amendment, supplement or modification thereto) provided that, in the case of this sub-clause (B), the right of the Standstill Parties to make, submit, negotiate, effectuate or implement a Qualifying Public Acquisition Proposal on a publicly disclosed and announced basis shall terminate with respect to the Original Public Acquisition Proposal if such Original Public Acquisition Proposal is publicly withdrawn (or terminated) (for the avoidance of doubt, an amendment, supplement or modification to, or replacement Acquisition Proposal in respect of, such Original Public Acquisition Proposal, shall not be deemed to be a withdrawal (or termination)) before the Standstill Parties initially publicly disclose or announce such Qualifying Public Acquisition Proposal; provided, further, that the immediately preceding proviso shall not prohibit or restrict the Standstill Parties from continuing, amending, supplementing or modifying, publicly or otherwise, any such Qualifying Public Acquisition Proposal that was initially publicly disclosed or announced prior to the public withdrawal (or termination) of the Original Public Acquisition Proposal, or limit in any respect the rights of the Standstill Parties with respect to any subsequent Original Public Acquisition Proposal (whether or not made by the same Person or Group, and whether or not related in any manner to any previously withdrawn (or terminated) Original Public Acquisition Proposal);

8

(ii) the provisions of this Section 2 shall not, and are not intended to, restrict the manner in which any Investor Designee may (A) vote on any matter submitted to the Board of Directors, (B) participate in deliberations or discussions of the Board of Directors (including making suggestions or raising issues to the Board of Directors) in his or her capacity as a member of the Board of Directors, or (C) take actions required by his or her exercise of legal duties and obligations as a member of the Board of Directors or refrain from taking any action prohibited by his or her legal duties and obligations as a member of the Board of Directors. For purposes of clarity, other than as provided herein, any Investor Designee may participate fully in discussions, deliberations, negotiations or determinations, or other actions or matters with respect to which any other members of the Board of Directors participate, regarding any Acquisition Proposal, provided, that (1) such Acquisition Proposal is not made or submitted by the Standstill Parties and (2) the Investor has committed to the Company in writing not to make (directly or through its Affiliates) an alternate Acquisition Proposal with respect to such Acquisition Proposal;

(iii) the restrictions in Section 2.1(a)(i) shall not prohibit the Investor Designee from receiving from the Company any equity or equity-based awards in connection with his or her service on the Board of Directors (or any committee thereof); and

(iv) the restrictions in Section 2.1(a)(i) shall not prohibit the acquisition by the Standstill Parties of Common Stock or Common Stock Equivalents from (A) any Person on the open market, (B) any negotiated purchase from any Company stockholder or (C) from the Company pursuant to Section 2.2, provided that (i) the Standstill Parties shall not effect any such purchase to the extent such purchase will result in the Company having fewer than 350 Public Holders (as such term is defined in Rule 5005 of the Nasdaq Listing Rules) of Common Stock and (ii) in no event shall the Standstill Parties acquire beneficial ownership of shares of Common Stock that would result in the Investor and its Affiliates collectively owning shares of Common Stock that would exceed 19.9% of the Shares of Then Outstanding Common Stock; provided, however, that the Investor shall have the right to cure, or cause a Non-Controlled Affiliate to cure, within a reasonable time following written notice from the Company, any inadvertent contravention of such 19.9% beneficial ownership limitation caused by the beneficial ownership of Common Stock or Common Stock Equivalents by a Non-Controlled Affiliate of a Standstill Party to the reasonable satisfaction of the Company; provided, further, that any such contravention of such 19.9% beneficial ownership limitation does not, based on the reasonable advice of counsel to the Company, violate Rule 5635 of the Nasdaq Listing Rules or applicable law or cause the Company to seek stockholder approval in relation thereto.

(c) If any Non-Controlled Affiliate of the Investor takes any action that would be prohibited under this Section 2.1 by a Controlled Affiliate of the Investor, upon written notice from the Company, the Investor shall use its best efforts to take appropriate measures to remedy such action to the reasonable satisfaction of the Company.

2.2 **Certain Offerings.** During the Standstill Period, if the Company proposes to issue additional shares of Common Stock or any Common Stock Equivalents (collectively, the "Offered Securities") in a (a) broadly marketed, underwritten, public offering of Offered

9

Securities registered under the Securities Act other than a Permitted Issuance (a "Public Offering"), or (b) private placement or registered offering other than a Public Offering or Permitted Issuance (a "Private Placement"), the Company shall use commercially reasonable efforts to provide the Standstill Parties the opportunity to purchase up to a number of Offered Securities equal to the Offering Cap on the same terms as the other investors in such offering; provided, however, that the foregoing shall not apply to a Private Placement the success of which could reasonably be expected to be jeopardized by allowing such Standstill Parties to participate as determined in good faith by the Board of Directors. In the event the Standstill Parties are not offered the opportunity to participate in a Private Placement pursuant to the preceding sentence, the Company shall use commercially reasonable efforts to give the Standstill Parties an opportunity to purchase the same number of Offered Securities on substantially the same terms that the Standstill Parties would have had the opportunity to purchase in the original Private Placement concurrently with or promptly following the closing of such original Private Placement. Notwithstanding anything else in this Section 2.2 to the contrary, in no event shall Investor's rights hereunder cause the Company, based on the reasonable advice of counsel, to violate Rule 5635 of the Nasdaq Listing Rules or applicable law without obtaining stockholder approval for such transactions or otherwise cause the Company to seek stockholder approval of such transactions thereunder. Any Controlled Affiliates of the Investor that acquire Offered Securities pursuant to this Section 2.2 shall, as a condition to acquiring such Offered Securities, agree in writing to be subject to and bound by all restrictions and obligations set forth in this Agreement as though it were the Investor hereunder.

2.3 **Required Dispositions.** Notwithstanding any other provision of this Agreement to the contrary, in the event that at any time during the Standstill Period the Investor and its Affiliates beneficially own more than 19.9% of the Shares of Then Outstanding Common Stock, the Investor shall (or shall cause any of its Affiliates to) promptly Dispose of a number of shares of Common Stock or Common Stock Equivalents such that the beneficial ownership of Investor and its Affiliates of shares of Common Stock following such Disposition is equal to or less than 19.9% of the Shares of Then Outstanding Common Stock; provided, however, that the Investor agrees that in no event shall the rights provided to the Investor hereunder or the beneficial ownership of shares of Common Stock or Common Stock Equivalents by the Investor and its Affiliates cause the Company, based on the reasonable advice of counsel to the Company, to violate Rule 5635 of the Nasdaq Listing Rules or applicable law without obtaining stockholder approval or otherwise cause the Company to seek stockholder approval in relation to thereto; and provided, further, that notwithstanding any provision of this Section 2.3 to the contrary, in connection with any Disposition of shares of Common Stock under this Section 2.3, the Investor shall not (and shall cause its Controlled Affiliates and use commercially reasonable efforts to cause its Non-Controlled Affiliates not to) Dispose of any shares of Common Stock or Common Stock Equivalents to a Person that such Investor or Affiliate knows (after a reasonable inquiry in a private placement) is a Competitor.

10

SECTION 3. RESTRICTIONS ON DISPOSITIONS

3.1 **Lock-Up.** During the Restricted Period, without the prior approval of the Company or as otherwise contemplated by this Agreement, the Investor shall not, and shall cause its Affiliates not to, Dispose of (a) any of the Purchased Shares or any shares of Common Stock beneficially owned by such Investor or any of its Affiliates acquired after the date of this Agreement, together with any shares of Common Stock issued in respect thereof as a result of any stock split, stock dividend, share exchange, merger, consolidation or similar recapitalization, and (b) any Common Stock issued as (or issuable upon the exercise of any warrant, right or other security that is issued as) a dividend or other distribution with respect to, or in exchange or in replacement of, the shares of Common Stock described in clause (a) of this sentence; provided, however, that the foregoing shall not prohibit the Investor or its Controlled Affiliates that acquired Purchased Shares in a Permitted Transfer from transferring Purchased Shares to the Company or in a Permitted Transfer.

3.2 **Sale Limitations.** Subject to the restrictions set forth in Section 3.1, the Investor agrees that, for so long as the Investor's board nomination right under Section 4.4 is in effect, except for any transfer of Shares of Then Outstanding Common Stock and/or Common Stock Equivalents by such Investor to the Company or in a Permitted Transfer, it shall not, and shall cause its Controlled Affiliates not to, Dispose of any Shares of Then Outstanding Common Stock and/or Common Stock Equivalents at any time: (a) except pursuant to (i) a registered public offering in accordance with the Registration Rights Agreement, (ii) Rule 144 under the Securities Act, (iii) a Change of Control transaction approved by the Board of Directors or (iv) pursuant to privately negotiated sales in transactions exempt from the registration requirements under the Securities Act or (b) to a Person that such Investor or Controlled Affiliate knows (after a reasonable inquiry in a private placement) is a Competitor.

3.3 **Certain Tender Offers.** Notwithstanding any other provision of this Section 3, this Section 3 shall not prohibit or restrict any Disposition of Shares of Then Outstanding Common Stock and/or Common Stock Equivalents by the Standstill Parties into (a) a tender offer by a Third Party, approved by a majority of the Board of Directors, that if completed in accordance with its terms would result in a Change of Control (a "Third Party Tender Offer") or (b) an issuer tender offer by the Company.

3.4 **Offering Lock-Up.** For so long as the Investor holds at least 5% of the Shares of Then Outstanding Common Stock, the Investor shall, if requested by the Company and an underwriter of Common Stock of the Company in connection with any public offering involving an underwriting of Common Stock of the Company, agree not to Dispose of any Shares of Then Outstanding Common Stock and/or Common Stock Equivalents for a specified period of time, such period of time not to exceed ninety (90) days (a "Lock-Up Agreement"), provided that the Company's directors and executive officers enter into similar agreements and the Company has used commercially reasonable efforts to seek similar agreements from other holders of at least 5% of the Shares of Then Outstanding Common Stock. Any Lock-Up Agreement shall be in writing in a form reasonably satisfactory to the Company and the underwriter(s) in such offering. The Company agrees that if it shall release any director, executive officer or holder of at least 5% of the Shares of Then Outstanding Common Stock from any such lock-up agreement, it shall release the Investor from the

11

obligations of the Lock-Up Agreement on a proportionate basis relative to its ownership of Common Stock. The Company may impose stop transfer instructions with respect to and/or Common Stock Equivalents subject to the foregoing restrictions until the end of the specified period of time.

3.5 **Legend.** For so long as the Purchased Shares are subject to any of the restrictions set forth in this Section 3, the book-entry or certificated form of the Purchased Shares shall bear the following legend:

THE SHARES ARE SUBJECT TO RESTRICTIONS ON TRANSFER PURSUANT TO THE PROVISIONS OF A VOTING AND STANDSTILL AGREEMENT DATED AS OF SEPTEMBER 21, 2016. A COPY OF THE VOTING AND STANDSTILL AGREEMENT MAY BE OBTAINED FROM THE COMPANY. ANY TRANSFER IN VIOLATION OF THE VOTING AND STANDSTILL AGREEMENT IS VOID AND OF NO EFFECT.

SECTION 4. ADDITIONAL AGREEMENTS

4.1 **Voting of Securities.** For so long as the Investor's board nomination right under Section 4.4 is in effect, other than as permitted by this Agreement, in any vote or action by written consent of the stockholders of the Company (including, without limitation, with respect to the election of directors), the Investor shall, and shall cause its Controlled Affiliates to (and use commercially reasonable efforts to cause any Non-Controlled Affiliates to), vote or execute a written consent with respect to all voting securities of the Company as to which it is entitled to vote or execute a written consent in accordance with the recommendation of a majority of the Board of Directors; provided, however, that if any Non-Controlled Affiliate of the Investor does not vote or execute a written consent in accordance with this Section 4.1, upon written notice from the Company, the Investor shall use its best efforts to take appropriate measures to remedy such inaction to the reasonable satisfaction of the Company.

4.2 **Change of Control.** Notwithstanding Section 4.1, the Investor and its Affiliates may vote, or execute a written consent with respect to, any or all of the voting securities of the Company as to which they are entitled to vote or execute a written consent, as they may determine in their sole discretion with respect to any transaction the consummation of which would result in a Change of Control of the Company.

4.3 **Quorum.** In furtherance of Section 4.1, for so long as the Investor's board nomination right under Section 4.4 is in effect, the Investor shall be, and shall cause each of its Controlled Affiliates (and use commercially reasonable efforts to cause any Non-Controlled Affiliates) to be, present in person or represented by proxy at all meetings of stockholders to the extent necessary so that all voting securities of the Company as to which they are entitled to vote shall be counted as present for the purpose of determining the presence of a quorum at such meeting; provided, however, that if any Non-Controlled

12

Affiliate of the Investor is not present in person or represented by proxy at stockholders' meetings in accordance with this Section 4.3, upon written notice from the Company, the Investor shall use its best efforts to take appropriate measures to remedy such inaction to the reasonable satisfaction of the Company

4.4 **Board Nomination Right.** For so long as the Standstill Parties beneficially own at least five million (5,000,000) shares of Common Stock (as adjusted for any stock split, stock dividend or any subdivision of the Common Stock, or any other reclassification or other similar recapitalization after the date hereof), or such lesser number of shares of Common Stock which then constitute at least 10% of the Shares of Then Outstanding Common Stock, at each annual meeting of the stockholders of the Company or at any meeting of the stockholders of the Company at which members of the Board of Directors are to be elected (or, for so long as the Company has a classified Board, at any meeting of the stockholders of the Company at which Class I members of the Board are to be elected), or whenever such action is to be taken by written consent for such purposes, the Company agrees to nominate for election one individual designated by the Investor (an "Investor Designee") who shall be reasonably acceptable to the nominating and corporate governance committee of the Board of Directors (an Investor Designee who satisfied such requirements, a "Qualified Investor Designee"). The Investor's initial designee under this Agreement shall be Seymour Liebman (the "Initial Designee"), whom the Company agrees is a Qualified Investor Designee. On or prior to the Closing Date, the Company shall take all actions necessary (including, if necessary, by approving an enlargement of its Board of Directors to create a vacancy thereon) to cause the appointment to the Board of Directors of the Initial Designee effective as of the Closing Date, and thereafter, for so long as the Investor's board

nomination right under this Section 4.4 continues, the Company will use its commercially reasonable efforts to cause the election and reelection of such individual to the Board of Directors for so long as he or she is a Qualified Investor Designee (including recommending that the Company's stockholders vote in favor of the election of such an individual and otherwise supporting him for election in a manner no less rigorous and favorable than the manner in which the Company supports its other nominees), provided that if the Investor determines to designate a different individual ("Replacement Designee") as its Investor Designee, and such Replacement Designee is a Qualified Investor Designee, such obligation shall instead apply to the Replacement Designee. If any Investor Designee vacates the Board of Directors, the Company shall take all actions necessary to cause the appointment to the Board of Directors of a Qualified Investor Designee nominated by the Investor to fill the vacancy and thereafter the Company will use its commercially reasonable efforts to cause the election of such an individual to the Board of Directors, subject to the same conditions and limitations as set forth in the foregoing sentence. For avoidance of doubt, the Investor shall be limited to only one designee serving on the Board at any time pursuant to this Section 4.4. Such designee shall be entitled to the same level of directors' and officers' indemnity insurance coverage and indemnity and exculpation protection (including under any indemnification agreement) as the other members of the Board of Directors. For so long as an Investor Designee serves on the Board of Directors, the Company shall maintain in place directors' and officers' indemnity insurance coverage in an amount deemed appropriate by the Board of Directors. Any Investor Designee shall be subject to the same Company policies and procedures as the other directors on the Board of

Directors, including with respect to conflicts of interest and recusal from deliberations and voting.

Notwithstanding anything to the contrary herein, the Company will have the unilateral right to terminate all of the rights of the Investor set forth in this Section 4.4 in their entirety (as provided therein), upon written notice to the Investor, if any of the Standstill Parties, or any Non-Controlled Affiliates, shall have breached Section 2 of the Agreement in any material respect (as though such Section 2 were binding on the Non-Controlled Affiliates, in the case of the Non-Controlled Affiliates) and, if such breach is susceptible of cure, failed to cure such breach within 48 hours after receiving written notice of such alleged breach from the Company, and upon such termination the terminated rights or agreements shall have no further force or effect.

4.5 **Corporate Opportunity.** The Company renounces any interest or expectancy of the Company in, or in being offered an opportunity to participate in, any matter, transaction or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of (a) any Investor Designee or (b) the Standstill Parties (collectively, "Covered Persons"), unless in either case such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, a Covered Person expressly and solely in such Covered Person's capacity as a director of the Company, and waives any claim against each Covered Person arising from the fact that such Covered Person (i) pursues or acquires any such corporate opportunity for its own account or the account of any Affiliate or other person, (ii) directs, recommends, sells, assigns or otherwise transfers such corporate opportunity to another person or (iii) does not communicate information regarding such corporate opportunity to the Company; provided, that, in each such case, that any corporate opportunity which is expressly offered to a Covered Person in writing in his or her capacity as a member of the Board of Directors shall belong to the Company.

SECTION 5. PROPRIETARY INFORMATION

5.1 **Confidentiality.** Subject to Section 5.2, unless otherwise agreed to in writing by the Company and subject to any exceptions expressly set forth in the Co-Development Partnership Agreement by and between the Company and Canon U.S. Life Sciences, Inc., dated as of February 3, 2015, the Investor shall, (a) except as required by law, keep all Proprietary Information confidential and not disclose or reveal any Proprietary Information to any person (other than to Investor's Affiliates, Representatives and Representatives of Investor's Affiliates who are not Competitors and have a need to know such information for purposes of advising the Investor on its investment in the Company and who are informed by the Investor of the confidential nature of such information; provided, further that the Investor will be responsible for any violation of this Agreement by its Affiliates, its Representatives and Representatives of its Affiliates as if they were a party to this Agreement; and provided, further, that no Proprietary Information shall be disclosed or revealed to a Competitor in connection with a Permitted Transfer); (b) not use Proprietary Information for any purpose other than enabling the Investor to evaluate the Investor's investment in the Company; and (c)

except as required by law or legal process, not disclose to any person the fact that Proprietary Information has been disclosed to the Investor, provided that, for the avoidance of doubt, the disclosure of the existence of this Agreement shall not be deemed to be a breach of the foregoing clause (c). The obligations of the Investor contained in this Section 5.1 to keep Proprietary Information confidential shall survive any termination or expiration of this Agreement.

5.2 **Disclosure Required by Law.** In the event that the Investor, any of its Affiliates or any of their respective Representatives is requested pursuant to, or required by, applicable law or regulation (including, without limitation, any rule, regulation or policy statement of any national securities exchange, market or automated quotation system applicable to the Investor or any of its Affiliates) or by legal process to disclose any Proprietary Information, the Investor shall provide the Company with prompt notice of such request or requirement in order to enable the Company (a) to seek an appropriate protective order or other remedy, (b) to consult with the Investor with respect to the Company's taking steps to resist or narrow the scope of such request or legal process or (c) to waive compliance, in whole or in part, with the terms of this Section 5. In the event that such protective order or other remedy is not timely sought or obtained, or the Company waives compliance, in whole or in part, with the terms of this Section 5, the Investor shall use commercially reasonable efforts to disclose only that portion of the Proprietary Information which is, in the opinion of outside legal counsel of the Investor, legally required to be disclosed and to ensure that all Proprietary Information that is so disclosed will be accorded confidential treatment.

5.3 **Privileged Information.** To the extent that any Proprietary Information may include material subject to the attorney-client privilege, work product doctrine or any other applicable privilege concerning pending or threatened legal proceedings or governmental investigations and is received by the Investor or its Controlled Affiliates through an Investor Designee, the parties understand and agree that they may have a commonality of interest with respect to such matters and it is their desire, intention and mutual understanding that the sharing of such material is not intended to, and shall not, waive or diminish in any way the confidentiality of such material or its continued protection under the attorney-client privilege, work product doctrine or other applicable privilege. All Proprietary Information provided by the Company that is entitled to protection under the attorney-client privilege, work product doctrine or other applicable privilege shall remain entitled to such protection under these privileges, and under the joint defense doctrine, to the extent applicable. Nothing in this Agreement obligates the Company to reveal material subject to the attorney-client privilege, work product doctrine or any other applicable privilege to the Investor.

5.4 **No Warranties.** The Investor acknowledges that neither the Company nor any of its Representatives makes any express or implied representation or warranty as to the accuracy or completeness of any Proprietary Information, and the Investor agrees that none of such Persons shall have any liability to any of the Investor, any of its Affiliates or any of their respective Representatives relating to or arising from the use of any Proprietary Information.

5.5 **Return or Destruction of Proprietary Information.** At any time, upon the request of the Company, the Investor shall promptly deliver to the Company or destroy (provided that any such destruction shall be certified by the Investor) all Proprietary Information and all copies, reproductions, summaries, analyses or extracts thereof or based

15

thereon (whether in hard-copy form or on intangible media, such as electronic mail or computer files) in the possession of the Investor, any of its Affiliates or any of their respective Representatives; provided that the Investor, its Affiliates and their respective Representatives shall be permitted to retain a copy of such Proprietary Information to the extent such person believes in good faith that the retention of such copy is required under applicable law (including the recordkeeping requirements under the Investment Advisers Act of 1940, as amended). The Investor acknowledges that the Company reserves the right, in its sole discretion and without giving any reason therefor, to request the return or destruction of Proprietary Information pursuant to this Section 5.5.

5.6 **Acknowledgement of Securities Law.** The Investor is aware of the restrictions imposed by the United States securities law on the purchase or sale of securities by any person who has received material, non-public information from the issuer of such securities and on the communication of such information to any other person when it is reasonably foreseeable that such other person is likely to purchase or sell such securities in reliance upon such information.

SECTION 6. TERMINATION OR SURVIVAL OF CERTAIN RIGHTS AND OBLIGATIONS

Except as otherwise provided in this Agreement, this Agreement shall terminate in its entirety upon the earlier to occur of (a) the mutual written agreement of the parties and (b) the occurrence of a Change in Control. Notwithstanding the foregoing, the rights and obligations provided in Section 4.5, Section 5, Section 7 and Section 8 shall survive termination of this Agreement.

SECTION 7. NOTICES

All notices, requests, consents and other communications hereunder shall be in writing, shall be sent by confirmed facsimile or electronic mail, or mailed by first-class registered or certified airmail, or nationally recognized overnight express courier, postage prepaid, and shall be deemed given when so sent in the case of facsimile or electronic mail transmission, or when so received in the case of mail or courier, and addressed as follows:

if to the Company, to:

T2 Biosystems, Inc.
101 Hartwell Avenue
Lexington, Massachusetts 02421
Attention: General Counsel
Facsimile: (781) 357-3080
E-Mail: mgibbs@t2biosystems.com

16

with a copy (which shall not constitute notice) to:

Latham & Watkins LLP
John Hancock Tower, 27th Floor
Boston, Massachusetts 02116
Attention: Johan V. Brigham
Facsimile: 617.948.6008
E-mail: Johan.Brigham@lw.com

Evan G. Smith
Facsimile: (617) 948-6001
E-Mail: evan.smith@lw.com

if to the Investor, to:

Canon, U.S.A., Inc.
One Canon Park
Melville, New York 11747
Attention: Vice President - Legal
Telephone No.: (631) 330-5660
Facsimile No.: (631) 330-5129
E-Mail: shimelstein@cusa.canon.com

with a copy (which shall not constitute notice) to:

Canon, U.S.A., Inc.
One Canon Park
Melville, New York 11747
Attention: Seymour Liebman, Executive Vice President,
Chief Administrative Officer & General Counsel
Telephone No.: (631) 330-5191
Facsimile No.: (631) 330-5191
E-Mail: sliebman@cusa.canon.com

and

Greenberg Traurig, LLP
One International Place, Suite 2000
Boston, Massachusetts 02110
Attention: Bradley A. Jacobson
Facsimile: (617) 279-8402
E-mail: jacobsonb@gtlaw.com

Elizabeth W. Fraser
Facsimile: (617) 279-8427
E-mail: frasere@gtlaw.com

17

, or to such other person, at such other place or in such manner as one party shall designate to other party in writing.

SECTION 8. MISCELLANEOUS

8.1 **Waivers and Amendments.** Waiver by a party of a breach hereunder by another party shall not be construed as a waiver of any subsequent breach of the same or any other provision. No delay or omission by a party in exercising or availing itself of any right, power or privilege hereunder shall preclude the later exercise of any such right, power or privilege by such party. Neither this Agreement nor any provision hereof may be changed, waived, discharged, terminated, modified or amended except upon the written consent of the Company and the Investor.

8.2 **Governing Law; Submission to Jurisdiction.** This Agreement shall be governed by and construed in accordance with the Laws of the State of New York, without regard to the conflict of laws principles thereof that would require the application of the Law of any other jurisdiction. The parties irrevocably and unconditionally submit to the exclusive jurisdiction of the state and federal courts sitting in the County of New York, in the State of New York, solely and specifically for the purposes of any action or proceeding arising out of or in connection with this Agreement.

8.3 **Remedies.** The rights, powers and remedies of the parties under this Agreement are cumulative and not exclusive of any other right, power or remedy which such parties may have under any other agreement or Law. No single or partial assertion or exercise of any right, power or remedy of a party hereunder shall preclude any other or further assertion or exercise thereof.

8.4 **Specific Performance.** The parties hereby acknowledge and agree that the rights of the parties hereunder are special, unique and of extraordinary character, and that if any party refuses or otherwise fails to act, or to cause its affiliates to act, in accordance with the provisions of this Agreement, such refusal or failure would result in irreparable injury to the Company or the Investor, as the case may be, the exact amount of which would be difficult to ascertain or estimate and the remedies at law for which would not be reasonable or adequate compensation. Accordingly, if any party refuses or otherwise fails to act, or to cause its Affiliates to act, in accordance with the provisions of this Agreement, then, in addition to any other remedy which may be available to any damaged party at law or in equity, such damaged party will be entitled to seek specific performance and injunctive relief, without posting bond or other security, and without the necessity of proving actual or threatened damages, which remedy such damaged party will be entitled to seek in any court of competent jurisdiction. Notwithstanding this Section 8.4, except as otherwise provided herein, if any act or failure to act by a Non-Controlled Affiliate of the Investor contravenes this Agreement (or would contravene this Agreement to the extent it was binding on such Non-Controlled Affiliate, notwithstanding that it is not binding on such Non-Controlled Affiliate), upon written notice by the Company, the Investor shall use its best efforts to take or cause such

18

Non-Controlled Affiliate to take appropriate measures to remedy such inaction to the reasonable satisfaction of the Company.

8.5 **Successors and Assigns.** Except as otherwise expressly provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties hereto. Except as otherwise expressly provided herein, this Agreement, or any rights or obligations hereunder, may not be assigned by either party without the prior written consent of the other.

8.6 **Headings.** The headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be part of this Agreement.

8.7 **Severability.** If, under applicable Laws, any provision hereof is invalid or unenforceable, or otherwise directly or indirectly affects the validity of any other material provision(s) of this Agreement in any jurisdiction ("Modified Clause"), then, it is mutually agreed that this Agreement shall endure and that the Modified Clause shall be enforced in such jurisdiction to the maximum extent permitted under applicable Laws in such jurisdiction; provided that the parties shall consult and use all reasonable efforts to agree upon, and hereby consent to, any valid and enforceable modification of this Agreement as may be necessary to avoid any unjust enrichment of either party and to match the intent of this Agreement as closely as possible, including the economic benefits and rights contemplated herein.

8.8 **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original but which together shall constitute one and the same instrument.

8.9 **Entire Agreement.** This Agreement, the Purchase Agreement and the Registration Rights Agreement contain the entire agreement among the parties with respect to the subject matter hereof and thereof and supersede all prior and contemporaneous arrangements or understandings, whether written or oral, with respect hereto and thereto.

8.10 **Third Party Beneficiaries.** None of the provisions of this Agreement shall be for the benefit of or enforceable by any Third Party. No Third Party shall obtain any right under any provision of this Agreement or shall by reason of any such provision make any claim in respect of any debt, liability or obligation (or otherwise) against any party hereto.

8.11 **No Conflicting Agreements.** The Investor hereby represents and warrants to the Company that neither it nor any of its Affiliates is, as of the date of this Agreement, a party to, and agrees that , on or after the date of this Agreement, the Investor shall not (and shall cause its Controlled Affiliates and use commercially reasonable efforts to cause any Non-Controlled Affiliates not to) enter into any agreement that conflicts with the rights granted to the Company in this Agreement.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first above written.

COMPANY:

T2 BIOSYSTEMS, INC.

By: /s/ John McDonough
Name: John McDonough
Title: President & CEO

INVESTOR:

CANON U.S.A., INC.

By: /s/ Yoroku Adachi
Name: Yoroku Adachi
Title: Chairman & CEO

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this “Agreement”) is made and entered into as of September 21, 2016, by and among T2 Biosystems, Inc., a Delaware corporation (the “Company”), and Canon U.S.A., Inc., a New York corporation (the “Purchaser”).

RECITAL

This Agreement is made pursuant to the Stock Purchase Agreement, dated as of September 21, 2016, among the Company and the Purchaser (the “Purchase Agreement”).

AGREEMENT

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the Company and the Purchaser agree as follows:

SECTION 1. DEFINITIONS

Capitalized terms used and not otherwise defined herein that are defined in the Purchase Agreement shall have the meanings given such terms in the Purchase Agreement. As used in this Agreement, the following terms shall have the respective meanings set forth in this Section 1:

“Advice” shall have the meaning set forth in Section 7(b).

“Affiliate” means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, Controls, is controlled by or is under common control with such Person, as such terms are used in and construed under Rule 405 under the Securities Act.

“Competitor” shall have the meaning set forth in the Voting and Standstill Agreement.

“Control” (including the terms “controlling”, “controlled by” or “under common control with”) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“Commission” means the United States Securities and Exchange Commission, or any successor entity or entities, including, if applicable, the staff of the Commission.

“Common Stock” means the common stock, par value \$0.001 per share, of the Company.

“Effectiveness Date” means: (a) with respect to the Initial Registration Statement required to be filed hereunder, the date of the earlier to occur of (i) 12 months following the Closing Date if the Company is eligible to use Form S-3 or 15 months following the Closing Date if the Company is not eligible to use Form S-3 and (ii) the 5th Trading Day after the date the

Company is notified (orally or in writing, whichever is earlier) by the Commission that such Registration Statement will not be “reviewed” or will not be subject to further review, and (b) with respect to any additional Registration Statements which may be required pursuant to Section 2, the earlier to occur of (i) the 90th day following the date on which the Company first knows, or reasonably should have known, that such additional Registration Statement is required under such Section (or the 120th day following such date in the event such additional Registration Statement is reviewed by the Commission) and (ii) the 5th Trading Day after the date the Company is notified (orally or in writing, whichever is earlier) by the Commission that such Registration Statement will not be “reviewed” or will not be subject to further review. If the Effectiveness Date falls on a Saturday, Sunday or other date that the Commission is closed for business, the Effectiveness Date shall be extended to the next day on which the Commission is open for business. The Effectiveness Date for a Registration Statement shall be extended without default hereunder in the event that the Company’s failure to obtain the effectiveness of the Registration Statement on a timely basis results from the failure of the Holder to timely provide the Company with information requested by the Company and necessary to complete the Registration Statement in accordance with the requirements of the Securities Act (in which the Effectiveness Date would be extended with respect to Registrable Securities held by such Holder).

“Effectiveness Period” shall have the meaning set forth in Section 2(a).

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Filing Date” means: (a) with respect to the Initial Registration Statement, the 6 month anniversary of the Closing Date if the Company is eligible to use Form S-3 or the 9 month anniversary of the Closing Date if the Company is not eligible to use Form S-3, and (b) with respect to any additional Registration Statements that may be required pursuant to Section 2 hereof, the 45th day following the date on which the Company first knows, or reasonably should have known, that such additional Registration Statement is required under such Section.

“Holder” or “Holders” means a holder from time to time of Registrable Securities, but only if such holder is the Purchaser or any assignee thereof in accordance with Section 7(j).

“Indemnified Party” shall have the meaning set forth in Section 6(c).

“Indemnifying Party” shall have the meaning set forth in Section 6(c).

“Initial Registration Statement” shall mean the initial Registration Statement required to be filed to cover the resale by the Purchaser of the Registrable Securities pursuant to Section 2(a).

“Losses” shall have the meaning set forth in Section 6(a).

“Permitted Transferee” shall have the meaning set forth in the Voting and Standstill Agreement.

“Person” means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

2

“Proceeding” means an action, claim, suit, investigation or proceeding (including, without limitation, an investigation or partial proceeding, such as a deposition), whether commenced or threatened.

“Prospectus” means the prospectus included in a Registration Statement (including, without limitation, a prospectus that includes any information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 430A or Rule 430B promulgated by the Commission pursuant to the Securities Act), as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of any portion of the Registrable Securities covered by a Registration Statement, and all other amendments and supplements to the Prospectus, including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such Prospectus.

“Reduction Securities” shall have the meaning set forth in Section 2(b).

“Registrable Securities” means (i) the Shares issued pursuant to the Purchase Agreement and (ii) any other shares of Common Stock issued as (or issuable upon conversion or exercise of any warrant, right or other security which is issued as) a dividend or other distribution with respect to, in exchange for or in replacement of the Shares; provided, however, that any such Registrable Securities shall cease to be Registrable Securities (and the Company shall not be required to maintain the effectiveness of any, or file another, Registration Statement hereunder with respect thereto) for so long as (a) a Registration Statement with respect to the sale of such Registrable Securities is declared effective by the Commission under the Securities Act and such Registrable Securities have been disposed of by the Holder in accordance with such effective Registration Statement, (b) such Registrable Securities have been previously sold in accordance with Rule 144, (c) such Registrable Securities become eligible for resale without volume or manner-of-sale restrictions and without current public information pursuant to Rule 144, as reasonably determined by the Company, based upon the advice of counsel to the Company, (d) such Registrable Securities have been sold, transferred or otherwise disposed of by a Person in a transaction in which its rights under this Agreement were not assigned in accordance with Section 7(j), or (e) such Registrable Securities cease to be outstanding.

“Registration Statement” means each of the following: (i) an initial registration statement which is required to register the resale of the Registrable Securities, and (ii) each additional registration statement, if any, contemplated by Section 2, and including, in each case, the Prospectus, amendments and supplements to each such registration statement or Prospectus, including pre- and post-effective amendments, all exhibits thereto, and all material incorporated by reference or deemed to be incorporated by reference in such registration statement.

“Rule 144” means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

“Rule 415” means Rule 415 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

3

“Rule 424” means Rule 424 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

“SEC Guidance” means (i) any publicly-available written guidance of the Commission staff, (ii) any oral guidance, comments, requirements or requests of the Commission staff, in each case given or directed specifically to the Company, and (iii) the Securities Act.

“Securities Act” means the Securities Act of 1933, as amended.

“Shares” shall have the meaning set forth in the Purchase Agreement.

“Trading Day” means any day on which the Common Stock is traded on the Nasdaq Global Market, or, if the Nasdaq Global Market is not the principal trading market for the Common Stock, then on the principal securities exchange or securities market on which the Common Stock is then traded.

“Transaction Documents” shall have the meaning set forth in the Purchase Agreement.

“Voting and Standstill Agreement” shall mean the Voting and Standstill Agreement by and between the Company and the Purchaser of even date herewith.

SECTION 2. REGISTRATION

(a) On or prior to each Filing Date, the Company shall prepare and file with the Commission a Registration Statement covering the resale of all of the Registrable Securities that are not then registered on an existing and effective Registration Statement for an offering to be made on a continuous basis pursuant to Rule 415. The Registration Statement filed hereunder shall be on Form S-3 (except if the Company is not then eligible to register for resale the Registrable Securities on Form S-3, in which case such registration shall be on another appropriate form in accordance herewith) and shall contain (except if otherwise required pursuant to written comments received from the Commission upon a review of such Registration Statement) the “Plan of Distribution” in substantially the form attached hereto as Annex A. The Company shall use its commercially reasonable efforts to cause a Registration Statement filed under this Agreement to be declared effective under the Securities Act no later than the Effectiveness Date for such Registration

Statement, and shall, subject Section 7(b) hereof, use its commercially reasonable efforts to keep the Registration Statement continuously effective under the Securities Act until the date on which all securities under such Registration Statement have ceased to be Registrable Securities (the “Effectiveness Period”). It is agreed and understood that the Company shall, from time to time, be obligated to file one or more additional Registration Statements to cover any Registrable Securities which are not registered for resale pursuant to a pre-existing Registration Statement.

(b) Notwithstanding anything contained herein to the contrary, in the event that the Commission limits the amount of Registrable Securities that may be included and sold by the Holder in any Registration Statement, including the Initial Registration Statement, pursuant to Rule 415 or any other basis (and notwithstanding that the Company used

4

commercially reasonable efforts to advocate with the Commission where practicable for the registration of all or a greater number of Registrable Securities), the Company may reduce the number of Registrable Securities included in such Registration Statement on behalf of such Holder in whole or in part (in case of an exclusion as to a portion of such Registrable Securities, such portion shall be allocated pro rata among multiple Holders in proportion to the respective numbers of Registrable Securities represented by Shares requested to be registered by each such Holder over the total amount of Registrable Securities represented by Shares) (such Registrable Securities, the “Reduction Securities”). Any reduction of Registrable Securities pursuant to this Section 2(b) shall occur only after all securities that are not Registrable Securities, if any, are first removed from such Registration Statement where permitted under contractual arrangements between the Company and the holders of such other securities (provided that the Company first uses best efforts to obtain waivers under such contractual arrangements of stockholders’ rights to have such securities included in such Registration Statement). In such event, the Company shall give the Holder prompt notice of the number of such Reduction Securities excluded and the Company will not be liable for any damages under this Agreement in connection with the exclusion of such Reduction Securities. The Company shall use its commercially reasonable efforts at the first opportunity that is permitted by the Commission to register for resale the Reduction Securities. Such new Registration Statement shall be on Form S-3 (except if the Company is not then eligible to register for resale the Reduction Securities on Form S-3, in which case such registration shall be on another appropriate form for such purpose) and shall contain (except if otherwise required pursuant to written comments received from the Commission upon a review of such Registration Statement) the “Plan of Distribution” in substantially the form attached hereto as Annex A. The Company shall use its commercially reasonable efforts to cause each such Registration Statement to be declared effective under the Securities Act as soon as possible but, in any event, no later than the Effectiveness Date, and shall use its commercially reasonable efforts to keep such Registration Statement continuously effective under the Securities Act during the entire Effectiveness Period, subject to Section 7(b) hereof.

(c) No Holder shall be named as an “underwriter” in any Registration Statement without such Holder’s prior written consent, except if required pursuant to written comments received from the Commission upon a review of such Registration Statement; provided, however, that prior to naming a Holder as an underwriter in any Registration Statement, (i) the Company shall use its commercially reasonable efforts to advocate with the Commission against naming such Holder as an underwriter in accordance with Commission rules and regulations and SEC Guidance and (ii) if, despite the Company’s commercially reasonable efforts to advocate with the Commission against naming such Holder as an underwriter, the Commission continues to require that such Holder be named as an underwriter in any Registration Statement, such Holder shall have the right (but not the obligation), prior to being so named, without any penalty to the Company, to either (A) remove itself from such Registration Statement or (B) reduce its number of Registrable Securities included in such Registration Statement such that it shall no longer be required to be named as an underwriter in such Registration Statement.

(d) Unless contractually obligated to do so (provided that the Company first uses best efforts to obtain waivers under such contractual arrangements of stockholders’ rights to have such securities included in such Registration Statement), in no event shall the Company

5

include any securities other than the Registrable Securities on any Registration Statement without the prior written consent of Holders of a majority of the Registrable Securities.

(e) The disposition of Registrable Securities from any Registration Statement may occur in one or more underwritten offerings, block transactions, broker transactions, at-market transactions or in such other manner or manners as may be specified by the Holders in accordance with applicable law.

(f) In the event that Form S-3 is not available for the registration of the resale of Registrable Securities hereunder, the Company shall (i) register the resale of the Registrable Securities on another appropriate form and (ii) undertake to register the Registrable Securities on Form S-3 promptly after such form is available, *provided* that the Company shall maintain the effectiveness of the Registration Statement then in effect until such time as a Registration Statement on Form S-3 covering the Registrable Securities has been declared effective by the Commission.

SECTION 3. REGISTRATION PROCEDURES

In connection with the Company’s registration obligations hereunder, the Company shall:

(a) Not less than three Trading Days prior to the filing of a Registration Statement or any related Prospectus or any amendment or supplement thereto, the Company shall furnish to the Holder copies of all such documents proposed to be filed (other than those incorporated by reference). Notwithstanding the foregoing, the Company shall not be required to furnish to the Holder any prospectus supplement being prepared and filed solely to name new or additional selling securityholders unless such Holder is named in such prospectus supplement. In addition, in the event that any Registration Statement is on Form S-1 (or other form which does not permit incorporation by reference), the Company shall not be required to furnish to the Holder any prospectus supplement containing information included in a report or proxy statement filed under the Exchange Act that would be incorporated by reference in such Registration Statement if such Registration Statement were on Form S-3 (or other form which permits incorporation by reference). The Company shall duly consider any comments made by the Holder and received by the Company not later than two Trading Days prior to the filing of the Registration Statement, but shall not be required to accept any such comments to which it reasonably objects.

(b) (i) Prepare and file with the Commission such amendments, including post-effective amendments, to each Registration Statement and the Prospectus used in connection therewith as may be necessary to keep such Registration Statement continuously effective as to the applicable

Registrable Securities for its Effectiveness Period and prepare and file with the Commission such additional Registration Statements in order to register for resale under the Securities Act all of the Registrable Securities; (ii) cause the related Prospectus to be amended or supplemented by any required Prospectus supplement, and as so supplemented or amended to be filed pursuant to Rule 424; (iii) respond as promptly as reasonably possible to any comments received from the Commission with respect to each Registration Statement or any

6

amendment thereto and, as promptly as reasonably possible notify the Holder of such comments and, upon the request of such Holder, provide the Holder true and complete copies of all correspondence from and to the Commission relating to such Registration Statement that pertains to the Holder as a Selling Stockholder; and (iv) comply in all material respects with the provisions of the Securities Act and the Exchange Act with respect to the Registration Statements and the disposition of all Registrable Securities covered by each Registration Statement.

(c) Notify the Holder as promptly as reasonably possible (and, in the case of (i)(A) below, not less than three Trading Days prior to such filing) and (if requested by any such Person) confirm such notice in writing no later than one Trading Day following the day: (i)(A) when a Prospectus or any prospectus supplement (but only to the extent notice is required under Section 3(a) above) or post-effective amendment to a Registration Statement is proposed to be filed; (B) when the Commission notifies the Company whether there will be a "review" of such Registration Statement and whenever the Commission comments in writing on such Registration Statement (in which case the Company shall provide true and complete copies thereof and all written responses thereto to each of the Holders that pertain to such Holder as a Selling Stockholder or to the Plan of Distribution upon the request of such Holder); and (C) with respect to each Registration Statement or any post-effective amendment, when the same has been declared effective; (ii) of any request by the Commission or any other Federal or state governmental authority for amendments or supplements to a Registration Statement or Prospectus or for additional information that pertains to the Holder as a Selling Stockholder or the Plan of Distribution; (iii) of the issuance by the Commission of any stop order suspending the effectiveness of a Registration Statement covering any or all of the Registrable Securities or the initiation of any Proceedings for that purpose; (iv) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction, or the initiation or threatening of any Proceeding for such purpose; (v) of the occurrence of any event or passage of time that makes the financial statements included or incorporated by reference in a Registration Statement ineligible for inclusion or incorporation by reference therein or any statement made in such Registration Statement or Prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or that requires any revisions to such Registration Statement, Prospectus or other documents so that, in the case of such Registration Statement or the Prospectus, as the case may be, it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and (vi) of the occurrence or existence of any pending corporate development with respect to the Company that the Company in good faith believes may be material and that, in the determination of the Company, makes it not in the best interest of the Company to allow continued availability of a Registration Statement or Prospectus.

(d) Use its reasonable best efforts to avoid the issuance of, or, if issued, obtain the withdrawal of (i) any order suspending the effectiveness of a Registration Statement, or (ii) any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction, at the earliest practicable moment.

7

(e) Furnish to the Holder, without charge, at least one conformed copy of each Registration Statement and each amendment thereto and all exhibits to the extent reasonably requested by such Person (including those previously furnished or incorporated by reference) promptly after the filing of such documents with the Commission; provided, that the Company shall have no obligation to provide any document pursuant to this clause that is available on the EDGAR system.

(f) Promptly deliver to the Holder, without charge, as many copies of each Prospectus or Prospectuses (including each form of prospectus) and each amendment or supplement thereto as such Person may reasonably request. Subject to Section 7(b) hereof, the Company hereby consents to the use of such Prospectus and each amendment or supplement thereto by each of the selling Holders in connection with the offering and sale of the Registrable Securities covered by such Prospectus and any amendment or supplement thereto.

(g) Prior to any public offering of Registrable Securities, use its commercially reasonable efforts to register or qualify or cooperate with the selling Holder in connection with the registration or qualification (or exemption from such registration or qualification) of such Registrable Securities for offer and sale under the securities or Blue Sky laws of those jurisdictions within the United States as such Holder reasonably requests in writing to keep each such registration or qualification (or exemption therefrom) effective during the Effectiveness Period and to do any and all other acts or things necessary or advisable to enable the disposition in such jurisdictions of the Registrable Securities covered by the Registration Statements; provided, that the Company shall not be required to qualify generally to do business in any jurisdiction where it is not then so qualified or subject the Company to any material tax in any such jurisdiction where it is not then so subject.

(h) Cooperate with the Holder to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be delivered to a transferee pursuant to the Registration Statements, which certificates shall be free, to the extent permitted by the Purchase Agreement, of all restrictive legends, and to enable such Registrable Securities to be in such denominations and registered in such names as the Holder may request.

(i) Upon the occurrence of any event contemplated by Section 3(c)(v), as promptly as reasonably possible, prepare a supplement or amendment, including a post-effective amendment, to the affected Registration Statements or a supplement to the related Prospectus or any document incorporated or deemed to be incorporated therein by reference, and file any other required document so that, as thereafter delivered, no Registration Statement nor any Prospectus will contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(j) The Company may require the selling Holder to furnish to the Company a certified statement as to the number of shares of Common Stock beneficially owned by such Holder and any Affiliate thereof, the natural persons, if any, thereof that have voting and dispositive control over the shares and any other information with respect to such Holder as the Commission requests.

8

(k) Make available at reasonable times for inspection by any Holder, any managing underwriter participating in any disposition of such Registrable Securities pursuant to a Registration Statement, Holders' legal counsel and any attorney, accountant or other agent retained by any such Holder or any managing underwriter (each, an "Inspector" and collectively, the "Inspectors"), all financial and other records, pertinent corporate documents and properties of the Company and its subsidiaries (collectively, the "Records") as shall be reasonably necessary to enable them to exercise their due diligence responsibility, and cause the Company's and its subsidiaries' officers, directors and employees, and the independent public accountants of the Company, to supply all information reasonably requested by any such Inspector in connection with such Registration Statement. Notwithstanding the foregoing, Records and other information that the Company determines, in good faith, to be confidential and which it notifies the Inspectors are confidential shall not be disclosed by the Inspectors or used for any purpose other than as necessary or appropriate for the purpose of such inspection (and the Inspectors shall confirm their agreement in writing in advance to the Company if the Company shall so request) unless (i) the disclosure of such Records is necessary, in the Company's judgment, to avoid or correct a misstatement or omission in the Registration Statement, (ii) the release of such Records is ordered pursuant to a subpoena or other order from a court of competent jurisdiction after exhaustion of all appeals therefrom or (iii) the information in such Records was known to the Inspectors on a non-confidential basis prior to its disclosure by the Company or has been made generally available to the public. Each Holder agrees that it shall promptly, upon learning that disclosure of such Records is sought in a court of competent jurisdiction, give notice to the Company and allow the Company, at the Company's expense, to undertake appropriate action to prevent disclosure of the Records deemed confidential, and such Holder shall reasonably cooperate with the Company in connection therewith.

(l) If such sale is pursuant to an underwritten offering, (i) obtain "comfort" letters dated the pricing and closing dates of such offering under the underwriting agreement from the Company's independent public accountants in customary form and covering such matters of the type customarily covered by "comfort" letters as Holders' legal counsel or the managing underwriter reasonably requests; (ii) enter into a customary underwriting agreement with the underwriter containing customary representations and warranties, covenants and legal opinions addressed to the underwriters; (iii) take other such actions as reasonably required in order to expedite or facilitate the disposition of such Registrable Securities, including causing its officers to participate in "road shows" and other information meetings organized by the underwriters, if applicable, of reasonable and customary duration and frequency (but not to exceed three days in each instance); or (iv) deliver such documents and certificates as may be reasonably requested and as are customarily delivered in similar offerings.

(m) Comply with all applicable rules and regulations of the SEC, and make generally available to its security holders, as soon as reasonably practicable but no later than fifteen (15) months after the effective date of the Registration Statement, an earnings statement covering a period of twelve (12) months beginning after the effective date of the Registration Statement, in a manner which satisfies the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder.

(n) Cause all such Registrable Securities to be listed on each securities exchange on which similar securities issued by the Company are then listed.

9

(o) Provide reasonable cooperation to each seller of Registrable Securities and each underwriter participating in the disposition of such Registrable Securities and their respective counsel in connection with any filings required to be made with the Financial Industry Regulatory Authority ("FINRA") pursuant to FINRA Rule 5110 as requested by such Holder.

SECTION 4. HOLDER'S OBLIGATIONS

The Holder agrees, by acquisition of the Registrable Securities, that the Holder shall not be entitled to sell any of such Registrable Securities pursuant to a Registration Statement or to receive a Prospectus relating thereto, unless such Holder has furnished the Company with all material information required to be set forth in the Purchaser Questionnaire and Selling Stockholder Questionnaire pursuant to the Purchase Agreement. Any sale of any Registrable Securities by any Holder shall constitute a representation and warranty by such Holder that the information regarding such Holder is as set forth in the Prospectus delivered by such Holder in connection with such disposition, and that such Prospectus does not as of the time of such sale contain any untrue statement of a material fact regarding such Holder or omit to state any material fact regarding such Holder necessary to make the statements in such Prospectus, in the light of the circumstances under which they were made, not misleading, solely to the extent such facts are based upon information regarding such Holder furnished in writing to the Company by such Holder for use in such Prospectus.

SECTION 5. REGISTRATION EXPENSES

All fees and expenses incident to the Company's performance of or compliance with its obligations under this Agreement shall be borne by the Company whether or not any Registrable Securities are sold pursuant to a Registration Statement. The fees and expenses referred to in the foregoing sentence shall include, without limitation, (i) all registration and filing fees (including, without limitation, fees and expenses (A) with respect to filings required to be made with the principal trading market on which the Common Stock is then listed for trading, (B) in compliance with applicable state securities or Blue Sky laws) and (C) if not previously paid by the Company in connection with an issuer filing, with respect to any filing that may be required to be made by any broker through which a Holder intends to make sales of Registrable Securities with FINRA pursuant to FINRA Rule 5110, so long as the broker is receiving no more than a customary brokerage commission in connection with such sale, (ii) printing expenses (including, without limitation, expenses of printing certificates for Registrable Securities and of printing prospectuses if the printing of prospectuses is reasonably requested by the holders of a majority of the Registrable Securities included in the Registration Statement), (iii) messenger, telephone and delivery expenses, (iv) reasonable fees and disbursements of counsel for the Company, (v) Securities Act liability insurance, if the Company so desires such insurance, and (vi) reasonable fees and expenses of all other Persons retained by the Company in connection with the consummation of the transactions contemplated by this Agreement. In addition, the Company shall be responsible for all of its internal expenses incurred in connection with the consummation of the transactions contemplated by this Agreement (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit and the fees and expenses incurred in connection with the listing of the

Registrable Securities on any securities exchange as required hereunder. The Holder shall bear the cost of all underwriting discounts and selling commissions associated with any sale of Registrable Securities and shall pay all of its own costs and expenses, including, without limitation, all fees and disbursements to counsel (and any other advisors) of the Holder and any stock transfer taxes. In no event shall the Company be responsible for any broker or similar commissions of any Holder.

SECTION 6. INDEMNIFICATION

(a) **Indemnification by the Company.** The Company shall, notwithstanding any termination of this Agreement, indemnify and hold harmless the Holder, the officers, directors, agents, partners, members, stockholders and employees of such Holder, each Person who controls such Holder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and the officers, directors, agents, partners, members, stockholders and employees of each such controlling Person, to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, costs (including, without limitation, reasonable costs of preparation and reasonable attorneys' fees) and expenses (collectively, "Losses"), as incurred, arising out of or relating to any untrue or alleged untrue statement of a material fact contained in any Registration Statement, any Prospectus or any form of prospectus or in any amendment or supplement thereto (it being understood that the Holder has approved Annex A hereto for this purpose), or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus or form of prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading, except to the extent, but only to the extent, that (1) such untrue statements, alleged untrue statements, omissions or alleged omissions are based solely upon information regarding such Holder furnished in writing to the Company by such Holder expressly for use therein, or to the extent that such information relates to such Holder or such Holder's proposed method of distribution of Registrable Securities and was reviewed and expressly approved in writing by such Holder expressly for use in the Registration Statement, such Prospectus or such form of Prospectus or in any amendment or supplement thereto (it being understood that the Holder has approved Annex A hereto for this purpose) or (2) in the case of an occurrence of an event of the type specified in Section 3(c)(ii)-(v), the use by such Holder of an outdated or defective Prospectus after the Company has validly notified such Holder in writing (in accordance with Section 7(b) below) that the Prospectus is outdated or defective and prior to the receipt by such Holder of an Advice (as defined below) or an amended or supplemented Prospectus, but only if and to the extent that following the receipt of the Advice or the amended or supplemented Prospectus the misstatement or omission giving rise to such Loss would have been corrected. The Company shall notify the Holder promptly of the institution, threat or assertion of any Proceeding of which the Company is aware in connection with the transactions contemplated by this Agreement.

(b) **Indemnification by Holder.** The Holder shall, notwithstanding any termination of this Agreement, severally and not jointly, indemnify and hold harmless the Company, its directors, officers, agents and employees, each Person who controls the Company (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, agents, partners, members, stockholders or employees of such controlling

11

Persons, to the fullest extent permitted by applicable law, from and against all Losses, as incurred, arising solely out of or based solely upon: (x) for so long as the prospectus delivery requirements of the Securities Act apply to sales by such Holder, such Holder's failure to comply with the prospectus delivery requirements of the Securities Act or (y) any untrue statement of a material fact contained in any Registration Statement, any Prospectus, or any form of prospectus, or in any amendment or supplement thereto, or arising solely out of or based solely upon any omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus, or any form of prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading to the extent, but only to the extent that, (1) such untrue statements or omissions are based solely upon information regarding such Holder furnished in writing to the Company by such Holder expressly for use therein, or to the extent that such information relates to such Holder or such Holder's proposed method of distribution of Registrable Securities and was reviewed and expressly approved in writing by such Holder expressly for use in the Registration Statement, such Prospectus or such form of Prospectus or in any amendment or supplement thereto (it being understood that the Holder has approved Annex A hereto for this purpose) or (2) in the case of an occurrence of an event of the type specified in Section 3(c)(ii)-(v), the use by such Holder of an outdated or defective Prospectus after the Company has validly notified such Holder in writing (in accordance with Section 7(b) below) that the Prospectus is outdated or defective and prior to the receipt by such Holder of an Advice or an amended or supplemented Prospectus, but only if and to the extent that following the receipt of the Advice or the amended or supplemented Prospectus the misstatement or omission giving rise to such Loss would have been corrected. In no event shall the liability of any selling Holder hereunder be greater in amount than the dollar amount of the net proceeds received by such Holder upon the sale of the Registrable Securities giving rise to such indemnification obligation.

(c) **Conduct of Indemnification Proceedings.** If any Proceeding shall be brought or asserted against any Person entitled to indemnity hereunder (an "Indemnified Party"), such Indemnified Party shall promptly notify the Person from whom indemnity is sought (the "Indemnifying Party") in writing, and the Indemnifying Party shall assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party and the payment of all fees and expenses incurred in connection with defense thereof; provided, that the failure of any Indemnified Party to give such notice shall not relieve the Indemnifying Party of its obligations or liabilities pursuant to this Agreement, except (and only) to the extent that it shall be finally determined by a court of competent jurisdiction (which determination is not subject to appeal or further review) that such failure shall have proximately and materially adversely prejudiced the Indemnifying Party.

An Indemnified Party shall have the right to employ separate counsel in any such Proceeding and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Parties unless: (1) the Indemnifying Party has agreed in writing to pay such fees and expenses; (2) the Indemnifying Party shall have failed promptly to assume the defense of such Proceeding and to employ counsel reasonably satisfactory to such Indemnified Party in any such Proceeding; or (3) the named parties to any such Proceeding (including any impleaded parties) include both such Indemnified Party and the Indemnifying Party, and such Indemnified Party shall have been advised by counsel that a conflict of interest is likely to exist if the same counsel were to represent such Indemnified Party

12

and the Indemnifying Party (in which case, if such Indemnified Party notifies the Indemnifying Party in writing that it elects to employ separate counsel at the expense of the Indemnifying Party, the Indemnifying Party shall not have the right to assume the defense thereof and such counsel shall be at the expense of the Indemnifying Party); provided, that the Indemnifying Party shall not be liable for the fees and expenses of more than one separate firm of attorneys at any time for all Indemnified Parties pursuant to this Section 6(c). The Indemnifying Party shall not be liable for any settlement of any such Proceeding effected without its written consent, which consent shall not be unreasonably withheld. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, effect any settlement of any pending Proceeding in respect of which any Indemnified Party is a party, unless such settlement includes an unconditional release of such Indemnified Party from all liability on claims that are the subject matter of such Proceeding. Each Indemnified Party shall furnish such information regarding itself or the claim in question as an Indemnifying Party may reasonably request in writing and as shall be reasonably required in connection with defense of such claim and litigation resulting therefrom.

All fees and expenses of the 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 Section) shall be paid to the Indemnified Party, as incurred, within ten Trading Days of written notice thereof to the Indemnifying Party (regardless of whether it is ultimately determined that an Indemnified Party is not entitled to indemnification hereunder; provided, that the Indemnifying Party may require such Indemnified Party to undertake to reimburse all such fees and expenses to the extent it is finally judicially determined that such Indemnified Party is not entitled to indemnification hereunder).

(d) **Contribution.** If a claim for indemnification under Section 6(a) or Section 6(b) is unavailable to an Indemnified Party (by reason of public policy or otherwise), then each Indemnifying Party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party as a result of such Losses, in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and Indemnified Party in connection with the actions, statements or omissions that resulted in such Losses as well as any other relevant equitable considerations. The relative fault of such Indemnifying Party and Indemnified Party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission of a material fact, has been taken or made by, or relates to information supplied by, such Indemnifying Party or Indemnified Party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action, statement or omission. The amount paid or payable by a party as a result of any Losses shall be deemed to include, subject to the limitations set forth in Section 6(c), any reasonable attorneys' or other reasonable fees or expenses incurred by such party in connection with any Proceeding to the extent such party would have been indemnified for such fees or expenses if the indemnification provided for in this Section was available to such party in accordance with its terms.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 6(d) were determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to in the immediately preceding paragraph. Notwithstanding the provisions of this Section 6(d), no

13

Holder shall be required to contribute, in the aggregate, any amount in excess of the amount by which the proceeds actually received by such Holder from the sale of the Registrable Securities subject to the Proceeding exceeds the amount of any damages that such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. 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 who was not guilty of such fraudulent misrepresentation.

The indemnity and contribution agreements contained in this Section 6 are in addition to any liability that the Indemnifying Parties may have to the Indemnified Parties and are not in diminution or limitation of the indemnification provisions under the Purchase Agreement.

SECTION 7. MISCELLANEOUS

(a) **Piggy-Back Registrations.** If at any time during the Effectiveness Period, except as contemplated by Section 2(b) hereof, there is not an effective Registration Statement covering all of the Registrable Securities and the Company shall determine to prepare and file with the Commission a registration statement relating to an offering for its own account or the account of others under the Securities Act of any of its equity securities, other than on Form S-4 or Form S-8 (each as promulgated under the Securities Act) or their then equivalents relating to equity securities to be issued solely in connection with any acquisition of any entity or business or equity securities issuable in connection with the stock option or other employee benefit plans, then the Company shall send to each Holder a written notice of such determination and, if within 15 days after the date of such notice, any such Holder shall so request in writing, the Company shall include in such registration statement all or any part of such Registrable Securities such Holder requests to be registered; provided, however, that the Company shall not be required to register any Registrable Securities pursuant to this Section 7(a) that are eligible for resale pursuant to Rule 144 promulgated under the Securities Act without volume limitation and without current public information or that are the subject of a then effective Registration Statement; provided, further, however, if there is not an effective Registration Statement covering all of the Registrable Securities during the Effectiveness Period, the Company may file a registration statement with the Commission to register equity securities of the Company to be sold on a primary basis, provided that the Company does not sell any such shares until there is an effective Registration Statement covering all of the Registrable Securities. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 7(a) prior to the effectiveness of such registration whether or not the Holder has elected to include securities in such registration.

(b) **Discontinued Disposition.** The Holder agrees by its acquisition of such Registrable Securities that, upon receipt of a notice from the Company of the occurrence of any event of the kind described in Section 3(c)(ii)-(vi), such Holder will forthwith discontinue disposition of such Registrable Securities under the Registration Statement until such Holder's receipt of the copies of the supplemented Prospectus and/or amended Registration Statement or until it is advised in writing (the "Advice") by the Company that the use of the applicable Prospectus may be resumed, and, in either case, has received copies of any additional or

14

supplemental filings that are incorporated or deemed to be incorporated by reference in such Prospectus or Registration Statement; provided that, with respect to the events described in Sections 3(c)(v) and 3(c)(vi), the Company shall not be entitled to suspend the effectiveness or use of such Registration Statement for an aggregate of more than 45 consecutive Trading Days or an aggregate of 90 Trading Days (which need not be consecutive) in any given 360-day period. The Company may provide appropriate stop orders to enforce the provisions of this paragraph.

(c) **Compliance.** The Holder covenants and agrees that it will comply with the prospectus delivery requirements of the Securities Act as applicable to it in connection with sales of Registrable Securities pursuant to the Registration Statement.

(d) **Furnishing of Information.** The Holder shall furnish in writing to the Company such information regarding itself, the Registrable Securities held by it and the intended method of disposition of the Registrable Securities held by it, as shall be reasonably requested by the Company to effect the registration of such Registrable Securities and shall execute such documents in connection with such registration as the Company may reasonably request.

(e) **Termination of Registration Rights.** For the avoidance of doubt, it is expressly agreed and understood that (i) in the event that there are no Registrable Securities outstanding as of a Filing Date, then the Company shall have no obligation to file, caused to be declared effective or to keep effective any Registration Statement hereunder (including any Registration Statement previously filed pursuant to this Agreement) and (ii) all registration rights granted to the Holders hereunder (including the rights set forth in Section 7(a)), shall terminate in their entirety effective on the first date on which there shall cease to be any Registrable Securities outstanding.

(f) **Waivers and Amendments.** No provision of this Agreement may be waived or amended except in a written instrument signed by the Company and the Holder or Holders (as applicable) of no less than a majority of the then outstanding Registrable Securities. The Company shall provide prior notice to the Holder of any proposed waiver or amendment. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of either party to exercise any right hereunder in any manner impair the exercise of any such right.

(g) **Governing Law; Submission to Jurisdiction.** All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement and any other Transaction Documents (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the County of New York, in the State of New York. Each party hereby irrevocably submits to the exclusive

15

jurisdiction of the state and federal courts sitting in the County of New York, in the State of New York, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is improper or is an inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law.

(h) **Remedies.** In the event of a breach by the Company or by the Holder of any of their obligations under this Agreement, such Holder or the Company, as the case may be, in addition to being entitled to exercise all rights granted by law and under this Agreement, including recovery of damages, will be entitled to specific performance of its rights under this Agreement. The Company and the Holder agree that monetary damages would not provide adequate compensation for any losses incurred by reason of a breach by it of any of the provisions of this Agreement and hereby further agree that, in the event of any action for specific performance in respect of such breach, it shall waive the defense that a remedy at law would be adequate. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.

(i) **Notices.** All notices, requests, consents and other communications hereunder shall be in writing, shall be sent by confirmed facsimile or electronic mail, or mailed by first-class registered or certified airmail, or nationally recognized overnight express courier, postage prepaid, and shall be deemed given when so sent in the case of facsimile or electronic mail transmission, or when so received in the case of mail or courier, and addressed as follows:

if to the Company, to:

T2 Biosystems, Inc.
101 Hartwell Avenue
Lexington, Massachusetts 02421
Attention: General Counsel
Facsimile: (781) 357-3080
E-Mail: mgibbs@t2biosystems.com

with a copy (which shall not constitute notice) to:

Latham & Watkins LLP
John Hancock Tower, 27th Floor
Boston, Massachusetts 02116
Attention: Johan V. Brigham
Facsimile: 617.948.6008

16

E-mail: Johan.Brigham@lw.com

Evan G. Smith

if to the Investor, to:

Canon, U.S.A., Inc.
One Canon Park
Melville, New York 11747
Attention: Vice President - Legal
Telephone No.: (631) 330-5660
Facsimile No.: (631) 330-5129
E-Mail: shimelstein@cusa.canon.com

with copies (which shall not constitute notice) to:

Canon, U.S.A., Inc.
One Canon Park
Melville, New York 11747
Attention: Seymour Liebman, Executive Vice President,
Chief Administrative Officer & General Counsel
Telephone No.: (631) 330-5191
Facsimile No.: (631) 330-5193
E-Mail: sliebman@cusa.canon.com

And

Greenberg Traurig, LLP
One International Place, Suite 2000
Boston, Massachusetts 02110
Attention: Bradley A. Jacobson
Facsimile: 617.279.8402
E-mail: jacobsonb@gtlaw.com

Elizabeth W. Fraser
Facsimile: 617.279.8427
E-Mail: frasere@gtlaw.com

, or to such other person, at such other place or in such manner as one party shall designate to other party in writing.

(j) **Successors and Assigns.** This Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of each of the parties and shall inure to the benefit of the Holder. The Company may not assign its rights or obligations hereunder without the prior written consent of the Holder or Holders (as applicable) of a majority of the then outstanding Registrable Securities (other than by merger or consolidation or to an entity which

17

acquires the Company including by way of acquiring all or substantially all of the Company's assets). The rights of the Holder hereunder, including the right to have the Company register Registrable Securities pursuant to this Agreement, may be assigned by the Holder to a Permitted Transferee of such Holder, but only if (i) such Holder agrees in writing with such Permitted Transferee to assign such rights and related obligations under this Agreement, and for such Permitted Transferee to assume such obligations, and a copy of such agreement is furnished to the Company, (ii) the Company is furnished with written notice of the name and address of such Permitted Transferee and the securities with respect to which such registration rights are being transferred or assigned, (iii) such Permitted Transferee agrees in writing with the Company to be bound by all of the provisions contained herein, (iv) such Permitted Transferee is an "accredited investor," as that term is defined in Rule 501 of Regulation D and (v) such Permitted Transferee is not a Competitor.

(k) **Headings.** The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(l) **Severability.** If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their reasonable best efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

(m) **Counterparts.** This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and, all of which taken together shall constitute one and the same Agreement.

(n) **Use of Terms.** The parties agree and acknowledge that when, in this Agreement, the Company is required to use its reasonable best efforts to perform any covenant under this Agreement, such requirement shall not obligate the Company, in the reasonable judgment of the disinterested members of its Board of Directors, to perform any act that will have a material adverse effect on the Company.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Registration Rights Agreement as of the date first written above.

COMPANY:

T2 BIOSYSTEMS, INC.

By: /s/ John McDonough
Name: John McDonough
Title: President & CEO

INVESTOR:

CANON U.S.A., INC.

By: /s/ Yoroku Adachi
Name: Yoroku Adachi
Title: Chairman & CEO

REGISTRATION RIGHTS AGREEMENT

ANNEX A

PLAN OF DISTRIBUTION

The selling stockholder and any of its pledgees, donees, transferees, assignees or other successors-in-interest may, from time to time, sell, transfer or otherwise dispose of any or all of their shares of common stock or interests in shares of common stock on any stock exchange, market or trading facility on which the shares are traded or in private transactions. These dispositions may be at fixed prices, at prevailing market prices at the time of sale, at prices related to the prevailing market price, at varying prices determined at the time of sale, or at negotiated prices. The selling stockholder may use one or more of the following methods when disposing of the shares or interests therein:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- through brokers, dealers or underwriters that may act solely as agents;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- through the writing or settlement of options or other hedging transactions entered into after the effective date of the registration statement of which this prospectus is a part, whether through an options exchange or otherwise;
- broker-dealers may agree with the selling stockholder to sell a specified number of such shares at a stipulated price per share;
- one or more underwritten offerings on a firm commitment or best efforts basis;
- a combination of any such methods of disposition; and
- any other method permitted pursuant to applicable law.

The selling stockholder may also sell shares under Rule 144 under the Securities Act of 1933, as amended, or Securities Act, if available, rather than under this prospectus.

Broker-dealers engaged by the selling stockholder may arrange for other broker-dealers to participate in sales. Broker-dealers may receive commissions or discounts from the selling stockholder (or, if any broker-dealer acts as agent for the purchaser of shares, from the purchaser)

The selling stockholder may from time to time pledge or grant a security interest in some or all of the shares of common stock owned by its and, if it defaults in the performance of its secured obligations, the pledgees or secured parties may offer and sell shares of common stock from time to time under this prospectus, or under a supplement or amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act amending the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus.

Upon being notified in writing by the selling stockholder that any material arrangement has been entered into with a broker-dealer for the sale of common stock through a block trade, special offering, exchange distribution or secondary distribution or a purchase by a broker or dealer, we will file a supplement to this prospectus, if required, pursuant to Rule 424(b) under the Securities Act, disclosing (i) the name of such selling stockholder and of the participating broker-dealer(s), (ii) the number of shares involved, (iii) the price at which such shares of common stock were sold, (iv) the commissions paid or discounts or concessions allowed to such broker-dealer(s), where applicable, (v) that such broker-dealer(s) did not conduct any investigation to verify the information set out or incorporated by reference in this prospectus, and (vi) other facts material to the transaction. In addition, upon being notified in writing by the selling stockholder that a donee or pledge intends to sell more than 500 shares of common stock, we will file a supplement to this prospectus if then required in accordance with applicable securities law.

The selling stockholder also may transfer the shares of common stock in other circumstances, in which case the transferees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

In connection with the sale of the shares of common stock or interests in shares of common stock, the selling stockholder may enter into hedging transactions after the effective date of the registration statement of which this prospectus is a part with broker-dealers or other financial institutions, which may in turn engage in short sales of the common stock in the course of hedging the positions they assume. The selling stockholder may also sell shares of common stock short after the effective date of the registration statement of which this prospectus is a part and deliver these securities to close out their short positions, or loan or pledge the common stock to broker-dealers that in turn may sell these securities. The selling stockholder may also enter into option or other transactions after the effective date of the registration statement of which this prospectus is a part with broker-dealers or other financial institutions or the creation of one or more derivative securities which require the delivery to such broker-dealer or other financial institution of shares offered by this prospectus, which shares such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction).

The selling stockholder and any broker-dealers or agents that are involved in selling the shares may be deemed to be “underwriters” within the meaning of the Securities Act in connection with such sales. In such event, any commissions received by such broker-dealers or

A-2

agents and any profit on the resale of the shares purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act. The maximum commission or discount to be received by any member of the Financial Industry Regulatory Authority (FINRA) or independent broker-dealer will not be greater than 8% of the initial gross proceeds from the sale of any security being sold.

We have advised the selling stockholder that it is required to comply with Regulation M promulgated under the Securities Exchange Act during such time as it may be engaged in a distribution of the shares. The foregoing may affect the marketability of the common stock.

The aggregate proceeds to the selling stockholder from the sale of the common stock offered by it will be the purchase price of the common stock less discounts or commissions, if any. The selling stockholder reserves the right to accept and, together with its agents from time to time, to reject, in whole or in part, any proposed purchase of common stock to be made directly or through agents. We will not receive any of the proceeds from this offering.

We are required to pay all fees and expenses incident to the registration of the shares. We have agreed to indemnify the selling stockholder against certain losses, claims, damages and liabilities, including liabilities under the Securities Act or otherwise.

We have agreed with the selling stockholder to keep the registration statement of which this prospectus constitutes a part effective until the earlier of (a) such time as all of the shares covered by this prospectus have been disposed of pursuant to and in accordance with the registration statement, and (b) the date on which the shares of common stock covered by this prospectus may be sold by non-affiliates without any volume or manner of sale restrictions or current public information pursuant to Rule 144 of the Securities Act.

A-3



**T2 Biosystems Announces 40 Million Dollar Equity Investment by Partner
Canon U.S.A.**

*Canon U.S.A. takes 19.9 percent stake in the company; Seymour Liebman joins
board of directors*

LEXINGTON, Mass., September 22, 2016 - T2 Biosystems, Inc. (NASDAQ: T2OO), a company developing innovative diagnostic products to improve patient health, today announced the purchase by Canon U.S.A., of approximately 40 million dollars of the company's stock in a private placement. The shares were purchased at \$6.56 the closing market price of Tuesday, September 20, 2016. With this investment, Canon owns 19.9 percent of T2 Biosystems and Canon's chief administrative officer and general counsel, Seymour Liebman has joined the company's board of directors. This private placement closed on September 21, 2016.

"We are pleased to have the strong backing of our committed partner Canon — with whom we have been collaborating on Lyme disease product development since February of 2015," said John McDonough, chief executive officer of T2 Biosystems. "Importantly, this financing puts us in a solid position to continue to grow the business, including launching the T2Bacteria™ Panel into the market in 2017 and beyond. We expect T2Bacteria Panel to be a critical catalyst for our overall sepsis commercial efforts, and we remain on track to submit our application for marketing clearance to the FDA by mid-2017."

"Working closely with T2 Biosystems in the development of the Lyme disease diagnostic panel, we have come to appreciate the capabilities of their innovative diagnostic solutions," said Joe Adachi, chairman and CEO, Canon U.S.A. "We are pleased to extend our relationship with T2 Biosystems and look forward to working together in the future."

This press release shall not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration under the securities laws of any such jurisdiction.

These securities are being sold in a private placement that have not been registered under the Securities Act of 1933, as amended, or state securities laws and may not be offered or sold in the United States absent registration with the Securities Exchange Commission (SEC) or an applicable exemption from such registration requirements.

About T2 Biosystems

T2 Biosystems is focused on developing innovative diagnostic products to improve patient health. With two FDA-cleared products targeting sepsis and a range of additional products in development, T2 Biosystems is an emerging leader in the field of *in vitro* diagnostics. The Company is utilizing its proprietary T2 Magnetic Resonance platform, or T2MR, to develop a broad set of applications aimed at lowering mortality rates, improving patient outcomes and reducing the cost of healthcare by helping medical professionals make targeted treatment decisions earlier. T2MR enables the fast and sensitive detection of pathogens, biomarkers and

other abnormalities in a variety of unpurified patient sample types, including whole blood, eliminating the time-consuming sample prep required in current methods. For more information, please visit www.t2biosystems.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this press release that do not relate to matters of historical fact should be considered forward-looking statements. These forward-looking statements are based on management's current expectations. These statements are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to, the performance of the Company's diagnostic products and the ability to bring such products to market. These and other important factors could cause actual results to differ materially from those indicated by the forward-looking statements made in this press release. For more information on risk factors for T2 Biosystems, Inc.'s business, please refer to the Company's Annual Report on Form 10-K, filed with the Securities and Exchange Commission on March 9, 2016, under the heading "Risk Factors," and other filings the Company makes with the Securities and Exchange Commission from time to time. Any such forward-looking statements represent management's estimates as of the date of this press release. While the Company may elect to update such forward-looking statements at some point in the future, it disclaims any obligation to do so, even if subsequent events cause its views to change. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to the date of this press release.

###

Media Contact:

Susan Heins, Pure Communications
susan@purecommunicationsinc.com
 864.286.9597

Investor Contact:

Matt Clawson, Pure Communications
matt@purecommunicationsinc.com
 949-370-8500

