
**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): April 10, 2018

OMEROS CORPORATION

(Exact name of Registrant as Specified in Its Charter)

Washington
(State or Other Jurisdiction
of Incorporation)

001-34475
(Commission
File Number)

91-1663741
(IRS Employer
Identification No.)

**201 Elliott Avenue West
Seattle, WA**
(Address of Principal Executive Offices)

98119
(Zip Code)

Registrant's Telephone Number, Including Area Code: (206) 676-5000

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

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 1.01 Entry Into a Material Definitive Agreement.

On April 10, 2018, Omeros Corporation (“Omeros”) entered into Amendment No. 3 to Loan Agreement (the “Amendment”) with nura, inc., a wholly owned subsidiary of Omeros, CRG Servicing LLC, as administrative agent and collateral agent, and certain lenders thereto (collectively, the “Lenders”). The Amendment modified the financial covenants in the Term Loan Agreement, dated as of October 26, 2016, among Omeros and the Lenders, as amended (the “Loan Agreement”). Pursuant to the Amendment, the applicable revenue and market cap covenants with respect to the twelve-month period beginning on January 1, 2018 were eliminated. In addition, the market cap threshold calculation for future periods was reduced from the product of 6.4 times the aggregate principal amount of loans outstanding (excluding any payment-in-kind loans) on the applicable determination date to the product of 3.0 times the aggregate amount of loans outstanding (excluding any payment-in-kind loans) on the applicable determination date.

In connection with the execution of the Amendment, on April 12, 2018 Omeros issued the Lenders warrants to purchase an aggregate of 200,000 shares of Omeros common stock (the “Warrants”). The Warrants are exercisable for five years at an exercise price per share of \$23.00, which represents an approximately 70% premium to the closing price of Omeros’ common stock on April 6, 2018. The Lenders are subject to a one-year restriction on the sale or transfer of the warrants and, if exercised, the underlying common stock, if any amount of debt remains outstanding under the Loan Agreement. The Warrants were issued under the exemption from registration provided by Section 4(a)(2) of the Securities Act of 1933, as amended.

The foregoing description of the Amendment and the Warrants is only a summary of their respective material terms and does not purport to be complete. Copies of the Amendment and the form of Warrant issued to the Lenders are attached as Exhibits 10.1 and 10.2, respectively, to this Current Report on Form 8-K and are incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
10.1	<u>Third Amendment to Term Loan Agreement among Omeros Corporation, nura, inc., CRG Servicing LLC, as administrative agent and collateral agent, and certain lenders thereto, dated April 10, 2018.</u>
10.2	<u>Form of Warrant to Purchase Stock issued by Omeros Corporation to each lender.</u>

SIGNATURES

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

OMEROS CORPORATION

Date: April 13, 2018

By: /s/ Gregory A. Demopoulos
Gregory A. Demopoulos, M.D.
President, Chief Executive Officer and
Chairman of the Board of Directors

AMENDMENT NO. 3 TO LOAN AGREEMENT

THIS AMENDMENT NO. 3 TO LOAN AGREEMENT, dated as of April 10, 2018 (this “**Amendment**”), is made among Omeros Corporation, a Washington corporation (“**Borrower**”), the Subsidiary Guarantors listed on the signature pages hereof, CRG Servicing LLC, as administrative agent and collateral agent (in such capacities, “**Administrative Agent**”), and the lenders listed on the signature pages hereof (each, a “**Lender**” and, collectively, the “**Lenders**”), with respect to the Loan Agreement referred to below.

RECITALS

WHEREAS, Borrower, Administrative Agent and the Lenders are parties to the Term Loan Agreement, dated as of October 26, 2016, as partially waived pursuant to the Waiver to Loan Agreement, dated as of May 9, 2017 (the “**Waiver**”), and as amended by Amendment No. 1 to Loan Agreement, dated as of October 11, 2017, and Amendment No. 2 to Loan Agreement, dated as of February 26, 2018 (as so partially waived and amended, the “**Loan Agreement**”), with the Subsidiary Guarantors from time to time party thereto.

WHEREAS, Borrower has requested that Administrative Agent and the Lenders (which Lenders constitute all of the Lenders party to the Loan Agreement), and Administrative Agent and the Lenders have agreed to, amend the financial covenants in the Loan Agreement.

WHEREAS, Borrower, Administrative Agent and the Lenders wish to provide that, solely for purposes of **Section 10.02(a)(iii)** and **Section 10.02(b)** with respect to the calendar year ending December 31, 2018, the financial covenant in **Section 10.02** applicable to the twelve-month period beginning on January 1, 2018 or the calendar year ending December 31, 2018, as applicable, of the Loan Agreement shall be deemed to have been achieved.

WHEREAS, in connection with this Amendment, Borrower has agreed to issue to Lenders warrants to purchase an aggregate of 200,000 shares of Common Stock, \$0.01 par value per share, of Borrower, at an exercise price of \$23.00 per share (subject to adjustment as specified therein) per Schedule I to this Amendment (the “**Warrants**”).

NOW, THEREFORE, in consideration of the mutual agreements, provisions and covenants contained herein, the parties agree as follows:

SECTION 1. Definitions; Interpretation.

(a) **Terms Defined in Loan Agreement.** All capitalized terms used in this Amendment (including in the recitals hereof) and not otherwise defined herein shall have the meanings assigned to them in the Loan Agreement.

(b) **Interpretation.** The rules of interpretation set forth in **Section 1.03** of the Loan Agreement shall be applicable to this Amendment and are incorporated herein by this reference.

SECTION 2. Amendments. Subject to **Section 3** of this Amendment:

(a) The following definitions are hereby added to **Section 1.01** of the Loan Agreement in appropriate alphabetical order:

“**Warrants**” has the meaning set forth in that certain Amendment No. 3 to Loan Agreement, dated as of April 10, 2018, among Borrower, Administrative Agent and the Lenders party thereto.

“**Warrant Obligations**” means, with respect to any Obligor, all Obligations arising out of, under or in connection with the Warrants.

(b) The definition of “Market Cap Threshold” in **Section 1.01** of the Loan Agreement is hereby amended and restated in its entirety as follows:

“**Market Cap Threshold**” means, as of any date of determination, the product of (a) 3.0 and (b) the aggregate outstanding principal amount of Loans outstanding (excluding any PIK Loans) under this Agreement on such date of determination.

(c) The definition of “Obligations” in **Section 1.01** of the Loan Agreement is hereby amended by adding the following sentence at the end thereof:

For purposes of **Section 5.03**, “Obligations” shall include the Warrant Obligations.

(d) **Section 10.02(a)(iii)** of the Loan Agreement is hereby amended and restated in its entirety as follows:

[reserved];

(e) **Section 10.02(b)** of the Loan Agreement is hereby amended by adding the following words after the words “each calendar year” therein:

(other than the calendar year ending on December 31, 2018)

(f) **Section 11.01(e)** of the Loan Agreement is hereby amended by adding the following words after the words “Loan Documents” therein:

or any Warrant

SECTION 3. Amendment Conditions.

(a) The effectiveness of **Section 2** of this Amendment shall be subject to the following conditions precedent:

(i) Borrower, Administrative Agent and all of the Lenders shall have duly executed and delivered this Amendment pursuant to **Section 13.04** of the Loan Agreement; *provided, however*, that this Amendment shall have no binding force or effect unless all conditions set forth in this **Section 3(a)** have been satisfied;

(ii) No Default or Event of Default under the Loan Agreement shall have occurred and be continuing; and

(iii) Borrower shall have paid or reimbursed Administrative Agent and the Lenders for their reasonable and documented out of pocket costs and expenses (including the reasonable and documented fees and expenses of Administrative Agent's and the Lenders' legal counsel) incurred in connection with this Amendment pursuant to **Section 13.03(a)(i)(z)** of the Loan Agreement.

(b) Within two (2) Business Days of the date hereof (or such other date as Administrative Agent may in its sole discretion permit), Borrower shall duly execute and deliver a Warrant, in form and substance satisfactory to Administrative Agent, to each Lender.

(c) On the date of the execution of each Warrant pursuant to clause (b) above, except as otherwise disclosed in Borrower's Public Filings, the representations and warranties in **Section 7** of the Loan Agreement shall be true in all material respects (unless qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects), except that (i) the representation regarding representations and warranties that refer to a specific earlier date shall be that they were true on such earlier date and (ii) the representation regarding representations under **Sections 7.05(b), 7.05(c), 7.08, 7.14 and 7.16** shall be that they were true on the first Borrowing Date.

SECTION 4. Representations and Warranties; Reaffirmation.

(a) Borrower hereby represents and warrants to Administrative Agent and each Lender as follows:

(i) Borrower has full power, authority and legal right to make and perform this Amendment. This Amendment is within Borrower's corporate or equivalent powers and has been duly authorized by all necessary corporate or equivalent action and, if required, by all necessary shareholder action. This Amendment has been duly executed and delivered by Borrower and constitutes a legal, valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms, except as such enforceability may be limited by (a) bankruptcy, insolvency, reorganization, moratorium or similar laws of general applicability affecting the enforcement of creditors' rights and (b) the application of general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law). This Amendment (w) does not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority or any third party, except for such as have been obtained or made and are in full force and effect, (x) will not violate any applicable law or regulation or the charter, bylaws or other organizational documents of Borrower and its Subsidiaries other than any such violations that, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect, (y) will not violate any order of any Governmental Authority other than any such violations that, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect and (z) will not violate or result in a default under any agreement or instrument governing any Indebtedness of Borrower or its Subsidiaries or any other material agreement or instrument binding upon Borrower and its Subsidiaries or assets, or give rise to a right thereunder to require any payment to be made by any such Person.

(ii) No Default has occurred or is continuing or will result after giving effect to this Consent.

(iii) There has been no Material Adverse Change since the date of the Loan Agreement.

(b) Each Obligor hereby ratifies, confirms, reaffirms, and acknowledges its obligations under the Loan Documents to which it is a party and agrees that the Loan Documents remain in full force and effect, undiminished by this Amendment, except as expressly provided herein, including, for the avoidance of doubt, Administrative Agent's rights pursuant to **Sections 8.01, 8.02 and 8.06** of the Loan Agreement. By executing this Amendment, Borrower acknowledges that it has read, consulted with its attorneys regarding, and understands, this Amendment. For the avoidance of doubt, the parties confirm that the waiver of Sections **6.03(d), (e) and (f)** in the Waiver continue to apply.

(c) Borrower, Administrative Agent and the Lenders hereby acknowledge and agree that, upon an event of an acceleration or other mandatory prepayment event, the "Redemption Date" for purposes of calculating the Prepayment Premium due and payable upon such acceleration or other mandatory prepayment will be date of such acceleration or such obligation to mandatorily prepay arose.

SECTION 5. Governing Law; Submission to Jurisdiction; WAIVER OF JURY TRIAL.

(a) **Governing Law.** This Amendment and the rights and obligations of the parties hereunder shall be governed by, and construed in accordance with, the law of the State of New York, without regard to principles of conflicts of laws that would result in the application of the laws of any other jurisdiction; *provided that* Section 5-1401 of the New York General Obligations Law shall apply.

(b) **Submission to Jurisdiction.** Borrower agrees that any suit, action or proceeding with respect to this Amendment or any other Loan Document to which it is a party or any judgment entered by any court in respect thereof may be brought initially in the federal or state courts in Houston, Texas or in the courts of its own corporate domicile and irrevocably submits to the non-exclusive jurisdiction of each such court for the purpose of any such suit, action, proceeding or judgment. This **Section 5** is for the benefit of Administrative Agent and the Lenders only and, as a result, none of Administrative Agent or any Lender shall be prevented from taking proceedings in any other courts with jurisdiction. To the extent allowed by applicable Laws, Administrative Agent and the Lenders may take concurrent proceedings in any number of jurisdictions.

(c) **WAIVER OF JURY TRIAL.** BORROWER, ADMINISTRATIVE AGENT AND EACH LENDER HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AMENDMENT, THE OTHER LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

SECTION 6. Miscellaneous.

(a) **No Waiver.** Except as expressly stated herein, nothing contained herein shall be deemed to constitute a waiver of compliance with any term or condition contained in the Loan Agreement or any of the other Loan Documents or constitute a course of conduct or dealing among the parties. Except as expressly stated herein, Administrative Agent and the Lenders reserve all rights, privileges and remedies under the Loan Documents. Except as amended hereby, the Loan Agreement and other Loan Documents remain unmodified and in full force and effect. All references in the Loan Documents to the Loan Agreement shall be deemed to be references to the Loan Agreement as amended hereby.

(b) **Severability.** In case any provision of or obligation under this Amendment shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

(c) **Headings.** Headings and captions used in this Amendment (including the Exhibits, Schedules and Annexes hereto, if any) are included for convenience of reference only and shall not be given any substantive effect.

(d) **Integration.** This Amendment constitutes a Loan Document and, together with the other Loan Documents, incorporates all negotiations of the parties hereto with respect to the subject matter hereof and is the final expression and agreement of the parties hereto with respect to the subject matter hereof.

(e) **Counterparts.** This Amendment may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Amendment by signing any such counterpart. Executed counterparts delivered by facsimile or other electronic transmission (e.g., “PDF” or “TIF”) shall be effective as delivery of a manually executed counterpart.

(f) **Controlling Provisions.** In the event of any inconsistencies between the provisions of this Amendment and the provisions of any other Loan Document, the provisions of this Amendment shall govern and prevail. Except as expressly modified by this Amendment, the Loan Documents shall not be modified and shall remain in full force and effect.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment, as of the date first above written.

BORROWER:

OMEROS CORPORATION

By: /s/ Gregory A. Demopulos

Name: Gregory A. Demopulos

Title: Chairman and CEO

[Signature Page – Amendment No. 3]

SUBSIDIARY GUARANTOR:

NURA, INC.

By: /s/ Gregory A. Demopulos

Name: Gregory A. Demopulos

Title: Chairman and CEO

[Signature Page – Amendment No. 3]

ADMINISTRATIVE AGENT:

CRG SERVICING LLC

By: /s/ Nathan Hukill
Name: Nathan Hukill
Title: Authorized Signatory

LENDERS:

CRG PARTNERS III – PARALLEL FUND “A” L.P.

By CRG PARTNERS III – PARALLEL FUND
“A” GP L.P., its General Partner
By CRG PARTNERS III GP LLC, its
General Partner

By: /s/ Nathan Hukill
Name: Nathan Hukill
Title: Authorized Signatory

CRG PARTNERS III L.P.

By CRG PARTNERS III GP L.P., its
General Partner
By CRG PARTNERS III GP LLC, its General Partner

By: /s/ Nathan Hukill
Name: Nathan Hukill
Title: Authorized Signatory

CRG PARTNERS III (CAYMAN) LEV AIV I L.P.

By CRG PARTNERS III (CAYMAN) GP L.P.,
its General Partner
By CRG PARTNERS III (CAYMAN) GP LLC, its
General Partner

By /s/ Nathan Hukill
Name: Nathan Hukill
Title: Authorized Signatory

Witness: /s/ Nicole Nesson

Name: Nicole Nesson

CRG PARTNERS III (CAYMAN) UNLEV AIV I L.P.

By CRG PARTNERS III (CAYMAN) GP L.P.,
its General Partner
By CRG PARTNERS III (CAYMAN) GP LLC, its
General Partner

By /s/ Nathan Hukill
Name: Nathan Hukill
Title: Authorized Signatory

Witness: /s/Nicole Nesson

Name: Nicole Nesson

**CRG PARTNERS III – PARALLEL FUND “B”
(CAYMAN) L.P.**

By CRG PARTNERS III (CAYMAN) GP L.P.,
its General Partner
By CRG PARTNERS III GP LLC, its
General Partner

By /s/ Nathan Hukill
Name: Nathan Hukill
Title: Authorized Signatory

Witness: /s/ Nicole Nesson

Name: Nicole Nesson

CRG ISSUER 2017-1

By CRG SERVICING LLC, acting by power of attorney

By /s/ Nathan Hukill
Name: Nathan Hukill
Title: Authorized Signatory

WARRANT SHARES

Lender	Number of Shares of Common Stock subject to the Warrants
CRG Partners III – Parallel Fund “A” L.P.	2,000
CRG Partners III L.P.	4,000
CRG Partners III (Cayman) Lev AIV I L.P.	64,302
CRG Partners III (Cayman) Unlev AIV I L.P.	5,214
CRG Partners III – Parallel Fund “B” (Cayman) L.P.	124,484
TOTAL	200,000

THIS WARRANT AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR UNDER THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IN ACCORDANCE WITH APPLICABLE REGISTRATION REQUIREMENTS OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE, TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THIS WARRANT MUST BE SURRENDERED TO THE COMPANY OR ITS TRANSFER AGENT AS A CONDITION PRECEDENT TO THE SALE, TRANSFER, PLEDGE OR HYPOTHECATION OF ANY INTEREST IN ANY OF THE SECURITIES REPRESENTED HEREBY.

**WARRANT TO PURCHASE SHARES OF COMMON STOCK
OF
OMEROS CORPORATION**

**Dated as of April 12, 2018
Void after the date specified in Section 8**

**Warrant to Purchase
2,000 Shares of
Common Stock
(subject to adjustment)**

THIS CERTIFIES THAT, for value received, CRG PARTNERS III – PARALLEL FUND “A” L.P., or its registered assigns (the “**Holder**”), is entitled, subject to the provisions and upon the terms and conditions set forth herein, to purchase from Omeros Corporation, a Washington corporation (the “**Company**”), shares of the Company’s common stock, par value \$0.01 per share (such shares, the “**Shares**” and such common stock, the “**Common Stock**”), in the amounts, at such times and at the price per share set forth in Section 1. The term “**Warrant**” as used herein shall include this Warrant and any warrants delivered in substitution or exchange therefor as provided herein. This Warrant is issued in connection with the transactions described in Amendment No. 3 to Loan Agreement, dated as of April 10, 2018, by and among the Company, CRG Servicing LLC, as administrative and collateral agent, and the lenders party thereto, which amends that certain Term Loan Agreement, dated as of October 26, 2016 (as so amended and as further amended, modified or supplemented from time to time, the “**Loan Agreement**”), by and among the Company, the Subsidiary Guarantors from time to time party thereto, the Lenders from time to time party thereto and CRG Servicing LLC.

The following is a statement of the rights of the Holder and the conditions to which this Warrant is subject, and to which Holder, by acceptance of this Warrant, agrees:

1. Number and Price of Shares; Exercise Period.

(a) **Number of Shares.** Subject to any previous exercise of the Warrant, the Holder shall have the right to purchase up to 2,000 Shares, as may be adjusted pursuant hereto prior to (or in connection with) the expiration of this Warrant as provided in Section 8.

(b) **Exercise Price.** The exercise price per Share shall be equal to \$23.00, subject to adjustment pursuant hereto (the “**Exercise Price**”).

(c) **Exercise Period.** This Warrant shall be exercisable, in whole or in part, prior to (or in connection with) the expiration of this Warrant as set forth in Section 8.

2. Exercise of the Warrant.

(a) **Exercise.** The purchase rights represented by this Warrant may be exercised at the election of the Holder, in whole or in part, in accordance with Section 1, by:

(i) the tender to the Company at its principal office (or such other office or agency as the Company may designate) of a notice of exercise in the form of Exhibit A (the “**Notice of Exercise**”), duly completed and executed by or on behalf of the Holder, together with the surrender of this Warrant; and

(ii) the payment to the Company of an amount equal to (x) the Exercise Price multiplied by (y) the number of Shares being purchased, by wire transfer or certified, cashier’s or other check acceptable to the Company and payable to the order of the Company.

(b) **Net Issue Exercise.** In lieu of exercising this Warrant pursuant to Section 2(a)(ii), if the fair market value of one Share is greater than the Exercise Price (at the date of calculation as set forth below), the Holder may elect to receive a number of Shares equal to the value of this Warrant (or of any portion of this Warrant being canceled) by surrender of this Warrant at the principal office of the Company (or such other office or agency as the Company may designate) together with a properly completed and executed Notice of Exercise reflecting such election, in which event the Company shall issue to the Holder that number of Shares computed using the following formula:

$$X = \frac{Y(A - B)}{A}$$

Where:

X = The number of Shares to be issued to the Holder

Y = The number of Shares purchasable under this Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being canceled (at the date of such calculation)

A = The fair market value of one Share (at the date of such calculation)

B = The Exercise Price (as adjusted to the date of such calculation)

For purposes of the calculation above, the fair market value of one Share shall be determined as follows:

(i) if the Shares are traded on any securities exchange or quoted on an established automated over-the-counter market, the fair market value shall be deemed to be the average of the closing prices over a ten (10) Trading Day period ending five (5) Trading Days before the date of calculation; or

(ii) if at any time the Common Stock is not listed on any securities exchange or quoted on an established automated over-the-counter market, the fair market value of the Common Stock shall be the price per share which the Company could obtain from a willing buyer (not a current employee or director) for shares of Common Stock sold by the Company, from authorized but unissued shares, as determined in good faith by its Board of Directors, unless the Company shall become subject to a Reorganization, in which case the fair market value of the Common Stock shall be deemed to be the per share value received by the holders of the Common Stock pursuant to such Reorganization.

For purposes hereof, the date of calculation shall be the date the Holder sends to the Company a Notice of Exercise. “**Trading Day**” means a day in which trading in the Shares generally occurs on The Nasdaq Global Market or if the Shares are not then listed on The Nasdaq Global Market, on the principal other U.S. national or regional securities exchange on which the Shares are then listed, or if the Shares are not then listed on a U.S. national or regional securities exchange, on the principal other market on which the Shares are then traded. If the Shares are not so listed or traded, “Trading Day” means any Business Day. “**Business Day**” means any day other than a Saturday, a Sunday or a day on which the Federal Reserve Bank of New York is authorized or required by law or executive order to close or be closed.

(c) **Exercise Prior to Expiration.** To the extent this Warrant is not previously exercised as to all Shares subject hereto, and if the fair market value of one Share is greater than the Exercise Price then in effect, this Warrant shall be deemed automatically exercised pursuant to Section 2(b) (even if not surrendered) immediately before its expiration. For purposes of such automatic exercise, the fair market value of one Share upon such expiration shall be determined pursuant to Section 2(b). To the extent this Warrant or any portion thereof is deemed automatically exercised pursuant to this Section 2(c), the Company agrees to promptly notify the Holder of the number of shares of Common Stock, if any, the Holder is to receive by reason of such automatic exercise.

(d) **Stock Certificates.** The rights under this Warrant shall be deemed to have been exercised and the Shares issuable upon such exercise shall be deemed to have been issued immediately prior to the close of business on the date this Warrant is exercised in accordance with its terms, and the person entitled to receive the Shares issuable upon such exercise shall be treated for all purposes as the holder of record of such Shares as of the close of business on such date. As promptly as reasonably practicable on or after such date, the Company shall issue and deliver to the person or persons entitled to receive the same a certificate or certificates for that number of shares issuable upon such exercise. In the event that the rights under this Warrant are exercised in part and have not expired, the Company shall execute and deliver a new Warrant reflecting the number of Shares that remain subject to this Warrant.

(e) **No Fractional Shares or Scrip.** No fractional shares or scrip representing fractional shares shall be issued upon the exercise of the rights under this Warrant. In lieu of such fractional share to which the Holder would otherwise be entitled, the Company shall make a cash payment equal to the Exercise Price multiplied by such fraction.

(f) **Conditional Exercise.** The Holder may exercise this Warrant conditioned upon (and effective immediately prior to) consummation of any transaction that would cause the expiration of this Warrant pursuant to Section 8 by so indicating in the notice of exercise.

(g) **Reservation of Stock.** The Company agrees during the term the rights under this Warrant are exercisable to reserve and keep available from its authorized and unissued shares of Common Stock for the purpose of effecting the exercise of this Warrant such number of shares as shall from time to time be sufficient to effect the exercise of the rights under this Warrant; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient for purposes of the exercise of this Warrant in accordance with its terms, without limitation of such other remedies as may be available to the Holder, the Company will use all reasonable efforts to take such corporate action as may be necessary to increase its authorized and unissued shares of Common Stock to a number of shares as shall be sufficient for such purposes. The Company represents and warrants that all shares that may be issued upon the exercise of this Warrant will, when issued in accordance with the terms hereof, be validly issued, fully paid and nonassessable.

3. Replacement of the Warrant. Subject to the receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and, in the case of loss, theft or destruction, on delivery of an indemnity agreement reasonably satisfactory in form and substance to the Company or, in the case of mutilation, on surrender and cancellation of this Warrant, the Company at the expense of the Holder shall execute and deliver, in lieu of this Warrant, a new warrant of like tenor and amount.

4. Transfer of the Warrant.

(a) **Warrant Register.** The Company shall maintain a register (the “**Warrant Register**”) containing the name and address of the Holder or Holders. Until this Warrant is transferred on the Warrant Register in accordance herewith, the Company may treat the Holder as shown on the Warrant Register as the absolute owner of this Warrant for all purposes, notwithstanding any notice to the contrary. Any Holder of this Warrant (or of any portion of this Warrant) may change its address as shown on the Warrant Register by written notice to the Company requesting a change.

(b) **Warrant Agent.** The Company may appoint an agent for the purpose of maintaining the Warrant Register referred to in Section 4(a), issuing the Shares or other securities then issuable upon the exercise of the rights under this Warrant, exchanging this Warrant, replacing this Warrant or conducting related activities.

(c) **Transferability of the Warrant.** Subject to (i) the provisions of this Warrant with respect to compliance with the Securities Act of 1933, as amended (the “**Securities Act**”), as set forth in Section 5 and (ii) compliance with the lock-up requirements as set forth in Section 11(b), title to this Warrant may be transferred by endorsement (by the transferor and the transferee executing the assignment form attached as Exhibit B (the “**Assignment Form**”)) and delivery in the same manner as a negotiable instrument transferable by endorsement and delivery ; provided that the Holder shall not transfer title to this Warrant to any person that is not an Eligible Transferee (as defined in the Loan Agreement), without the prior written consent of the Company.

(d) **Exchange of the Warrant upon a Transfer.** On surrender of this Warrant (and a properly endorsed Assignment Form) for exchange, subject to the provisions of this Warrant with respect to compliance with the Securities Act and limitations on assignments and transfers, the Company shall issue to or on the order of the Holder a new warrant or warrants of like tenor, in the name of the Holder or as the Holder (on payment by the Holder of any applicable transfer taxes) may direct, for the number of shares issuable upon exercise hereof, and the Company shall register any such transfer upon the Warrant Register. This Warrant (and the securities issuable upon exercise of the rights under this Warrant) must be surrendered to the Company or its warrant or transfer agent, as applicable, as a condition precedent to the sale, pledge, hypothecation or other transfer of any interest in any of the securities represented hereby.

(e) **Taxes.** In no event shall the Company be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of any certificate in a name other than that of the Holder, and the Company shall not be required to issue or deliver any such certificate unless and until the person or persons requesting the issue thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid or is not payable.

5. Compliance with Securities Laws. By acceptance of this Warrant, the Holder agrees to comply with the following:

(a) **Restrictions on Transfers.** Any transfer of this Warrant or the Shares (the “**Securities**”) must be in compliance with all applicable federal and state securities laws. The Holder agrees not to make any sale, assignment, transfer, pledge or other disposition of all or any portion of the Securities, or any beneficial interest therein, unless and until the transferee thereof has agreed in writing for the benefit of the Company to take and hold such Securities subject to, and to be bound by, the terms and conditions set forth in this Warrant to the same extent as if the transferee were the original Holder hereunder, and

(i) there is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with such registration statement, or

(ii) (A) such Holder shall have given prior written notice to the Company of such Holder’s intention to make such disposition and shall have furnished the Company with a reasonable detailed description of the manner and circumstances of the proposed disposition, (B) the transferee shall have made the representations set forth in Section 10 with respect to itself as a Holder and (C) if requested by the Company, such Holder shall have furnished the Company, at the Holder’s expense, with (i) evidence reasonably satisfactory to the Company that such disposition will not require registration of such Securities under the Securities Act or (ii) a legal opinion to the effect that the transfer of such Securities may be effected in compliance with the terms of the Securities Act. Notwithstanding the foregoing, compliance with clauses (B) and (C) above shall not be required for any transfer in compliance with Rule 144 and compliance with clause (C) above shall not be required for any transfer by the Holder to any affiliate of the Holder (or any fund or partnership under common control with one of more general partners or managing members of, or shares the same management company with, the Holder) or a transfer by the Holder to any of the Holder’s partners, members or other equity owners, or retired partners, members or other equity owners or the estate of any partners, members or other equity owners or retired partners, members or other equity owners.

(b) **Investment Representation Statement.** Unless the rights under this Warrant are exercised pursuant to an effective registration statement under the Securities Act that includes the Shares with respect to which the Warrant was exercised or pursuant to Section 2(b) that results in the Shares issued upon exercise being eligible for resale under Rule 144, it shall be a condition to any exercise of the rights under this Warrant that the Holder shall have confirmed the representations set forth in Section 10 hereof.

(c) **Securities Law Legend.** Subject to Section 5(e), the Securities shall (unless otherwise permitted by the provisions of this Warrant) be stamped or imprinted with a legend substantially similar to the following (in addition to any legend required by state securities laws):

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IN ACCORDANCE WITH APPLICABLE REGISTRATION REQUIREMENTS OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THIS CERTIFICATE MUST BE SURRENDERED TO THE COMPANY OR ITS TRANSFER AGENT AS A CONDITION PRECEDENT TO THE SALE, TRANSFER, PLEDGE OR HYPOTHECATION OF ANY INTEREST IN ANY OF THE SECURITIES REPRESENTED HEREBY.

(d) **Instructions Regarding Transfer Restrictions.** Subject to Section 5(e), the Holder consents to the Company making a notation on its records and giving instructions to any transfer agent in order to implement the restrictions on transfer established in this Section 5.

(e) **Removal of Legend.** The legend referring to federal and state securities laws identified in Section 5(c) stamped on a certificate evidencing the Shares and the stock transfer instructions and record notations with respect to such securities shall be removed promptly upon request by the Holder and the Company shall issue a certificate without such legend to the holder of such securities if (i) such securities are registered under the Securities Act, (ii) such securities are to be resold under Rule 144, or (iii) such holder provides the Company with an opinion of counsel reasonably acceptable to the Company to the effect that a sale or transfer of such securities may be made without registration or qualification.

(f) **Compliance with Securities Laws.** The Holder is aware of the restrictions imposed by the United States securities laws 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.

6. Adjustments. Subject to the expiration of this Warrant pursuant to Section 8, the number and kind of shares purchasable hereunder and the Exercise Price therefor are subject to adjustment from time to time, as follows:

(a) **Merger or Reorganization.** If at any time there shall be any reorganization, recapitalization, merger or consolidation (a "**Reorganization**") involving the Company (other than as otherwise provided for herein or as would cause the expiration of this Warrant under Section 8) in which shares of the Company's stock are converted into or exchanged for securities, cash or other property, then, as a part of such Reorganization, lawful provision shall be made so that the Holder shall thereafter be entitled to receive upon exercise of this Warrant, the kind and amount of securities, cash or other property of the successor corporation resulting from such Reorganization (collectively, "**Reference Property**"), equivalent in value to that which a holder of the Shares deliverable upon exercise of this Warrant would have been entitled in such Reorganization if the right to purchase the Shares hereunder had been exercised immediately prior to such Reorganization. In any such case, appropriate adjustment (as determined in good faith by the Board of Directors of the successor corporation) shall be made in the application of the provisions of this Warrant with respect to the rights and interests of the Holder after such Reorganization to the end that the provisions of this Warrant shall be applicable after the event, as near as reasonably may be, in relation to any shares or other securities deliverable after that event upon the exercise of this Warrant. Without limiting the foregoing, in connection with any Reorganization, upon the closing thereof, the successor or surviving entity shall assume the obligations of this Agreement. The provisions of this Section 6(a) shall similarly apply to successive Reorganizations.

(b) **Reclassification of Shares.** If the securities issuable upon exercise of this Warrant are changed into the same or a different number of securities of any other class or classes by reclassification, capital reorganization or otherwise (other than as otherwise provided for herein) (a “**Reclassification**”), then, in any such event, in lieu of the number of Shares which the Holder would otherwise have been entitled to receive, the Holder shall have the right thereafter to exercise this Warrant for a number of shares of such other class or classes of stock that a holder of the number of securities deliverable upon exercise of this Warrant immediately before that change would have been entitled to receive in such Reclassification, all subject to further adjustment as provided herein with respect to such other shares.

(c) **Subdivisions and Combinations.** In the event that the outstanding shares of Common Stock are subdivided (by stock split, by payment of a stock dividend or otherwise) into a greater number of shares of such securities, the number of Shares issuable upon exercise of the rights under this Warrant immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately increased, and the Exercise Price shall be proportionately decreased, and in the event that the outstanding shares of Common Stock are combined (by reclassification or otherwise) into a lesser number of shares of such securities, the number of Shares issuable upon exercise of the rights under this Warrant immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately decreased, and the Exercise Price shall be proportionately increased.

(d) **Notice of Adjustments.** Upon any adjustment in accordance with this Section 6, the Company shall give notice thereof to the Holder, which notice shall state the event giving rise to the adjustment, the Exercise Price as adjusted and the number of securities or other property purchasable upon the exercise of the rights under this Warrant, setting forth in reasonable detail the method of calculation of each. The Company shall, upon the written request of any Holder, furnish or cause to be furnished to such Holder a certificate setting forth (i) such adjustments, (ii) the Exercise Price at the time in effect and (iii) the number of securities and the amount, if any, of other property that at the time would be received upon exercise of this Warrant.

7. Notification of Certain Events. Prior to the expiration of this Warrant pursuant to Section 8, in the event that the Company shall authorize:

(a) the issuance of any dividend or other distribution on the capital stock of the Company (other than (i) dividends or distributions otherwise provided for in Section 6, (ii) repurchases of Common Stock issued to or held by employees, officers, directors or consultants of the Company or its subsidiaries upon termination of their employment or services pursuant to agreements providing for the right of said repurchase (excluding any deemed repurchase pursuant to a net exercise of Company equity securities); (iii) repurchases of Common Stock issued to or held by employees, officers, directors or consultants of the Company or its subsidiaries pursuant to rights of first refusal or first offer contained in agreements providing for such rights; or (iv) repurchases of capital stock of the Company in connection with the settlement of disputes with any stockholder), whether in cash, property, stock or other securities;

(b) the voluntary liquidation, dissolution or winding up of the Company; or

(c) any transaction resulting in the expiration of this Warrant pursuant to Section 8(b);

the Company shall send to the Holder of this Warrant at least ten (10) calendar days prior written notice of the date on which a record shall be taken for any such dividend or distribution specified in clause (a) or the expected effective date of any such other event specified in clause (b) or (c), as applicable. The notice provisions set forth in this section may be shortened or waived prospectively or retrospectively by the consent of the Holder of this Warrant.

8. Expiration of the Warrant. This Warrant shall expire and shall no longer be exercisable as of the earlier of:

(a) 5:00 p.m., Pacific time, on April 12, 2023; or

(b) (i) the acquisition of the Company by another entity by means of any transaction or series of related transactions to which the Company is a party (including, without limitation, any stock acquisition, reorganization, merger or consolidation, but excluding any sale of stock for capital raising purposes and any transaction effected primarily for purposes of changing the Company's jurisdiction of incorporation) other than a transaction or series of related transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction or series of related transactions receive voting securities of such other surviving or resulting entity (or if the Company or such other surviving or resulting entity is a wholly owned subsidiary immediately following such acquisition, its parent), or (ii) a sale, lease or other disposition of all or substantially all of the assets of the Company and its subsidiaries taken as a whole by means of any transaction or series of related transactions, except where such sale, lease or other disposition is to a wholly owned subsidiary of the Company.

9. No Rights as a Stockholder. Nothing contained herein shall entitle the Holder to any rights as a stockholder of the Company or to be deemed the holder of any securities that may at any time be issuable on the exercise of the rights hereunder for any purpose nor shall anything contained herein be construed to confer upon the Holder, as such, any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action (whether upon any recapitalization, issuance of stock, reclassification of stock, change of par value or change of stock to no par value, consolidation, merger, conveyance or otherwise) or to receive notice of meetings, or to receive dividends or subscription rights or any other rights of a stockholder of the Company until the rights under the Warrant shall have been exercised and the Shares purchasable upon exercise of the rights hereunder shall have become deliverable as provided herein.

10. Representations and Warranties of the Holder. By acceptance of this Warrant, the Holder represents and warrants to the Company as follows:

(a) **No Registration.** The Holder understands that the Securities have not been, and will not be, registered under the Securities Act by reason of a specific exemption from the registration provisions of the Securities Act, the availability of which depends upon, among other things, the *bona fide* nature of the investment intent and the accuracy of the Holder's representations as expressed herein or otherwise made pursuant hereto.

(b) **Investment Intent.** The Holder is acquiring the Securities for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, any distribution thereof. The Holder has no present intention of selling, granting any participation in, or otherwise distributing the Securities, nor does it have any contract, undertaking, agreement or arrangement for the same.

(c) **Investment Experience.** The Holder has substantial experience in evaluating and investing in private placement transactions of securities in companies similar to the Company, and has such knowledge and experience in financial or business matters so that it is capable of evaluating the merits and risks of its investment in the Company and protecting its own interests.

(d) **Speculative Nature of Investment.** The Holder understands and acknowledges that its investment in the Company is highly speculative and involves substantial risks. The Holder can bear the economic risk of its investment and is able, without impairing its financial condition, to hold the Securities for an indefinite period of time and to suffer a complete loss of its investment.

(e) **Accredited Investor.** The Holder is an "accredited investor" within the meaning of Regulation D, Rule 501(a), promulgated by the Securities and Exchange Commission and agrees to submit to the Company such further assurances of such status as may be reasonably requested by the Company. The Holder has furnished or made available any and all information requested by the Company or otherwise necessary to satisfy any applicable verification requirements as to "accredited investor" status. Any such information is true, correct, timely and complete.

(f) **Residency.** The residency of the Holder (or, in the case of a partnership or corporation, such entity's principal place of business) is correctly set forth on the signature page hereto.

(g) **Restrictions on Resales.** The Holder acknowledges that the Securities must be held indefinitely

unless subsequently registered under the Securities Act or an exemption from such registration is available. The Holder is aware of the provisions of Rule 144 promulgated under the Securities Act, which permit resale of shares purchased in a private placement subject to the satisfaction of certain conditions, which may include, among other things, the availability of certain current public information about the Company; the resale occurring not less than a specified period after a party has purchased and paid for the security to be sold; the number of shares being sold during any three-month period not exceeding specified limitations; the sale being effected through a “broker’s transaction,” a transaction directly with a “market maker” or a “riskless principal transaction” (as those terms are defined in the Securities Act or the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and the rules and regulations promulgated thereunder); and the filing of a Form 144 notice, if applicable. The Holder acknowledges and understands that the Company may not be satisfying the current public information requirement of Rule 144 at the time the Holder wishes to sell the Securities and that, in such event, the Holder may be precluded from selling the Securities under Rule 144 even if the other applicable requirements of Rule 144 have been satisfied. The Holder acknowledges that, in the event the applicable requirements of Rule 144 are not met, registration under the Securities Act or an exemption from registration will be required for any disposition of the Securities. The Holder understands that, although Rule 144 is not exclusive, the Securities and Exchange Commission has expressed its opinion that persons proposing to sell restricted securities received in a private offering other than in a registered offering or pursuant to Rule 144 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales and that such persons and the brokers who participate in the transactions do so at their own risk.

(h) **Authorization.** The Holder has full legal capacity, power and authority to execute and deliver this Warrant and to perform its obligations hereunder. This Warrant constitutes the valid and binding obligations of the Holder, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors’ rights generally and general principles of equity.

11. Covenants of the Holder. Except as specified in the second sentence of clause (b), the following covenants shall apply only to the Shares and shall not limit in any way the Holder’s ability to transfer the Warrant in accordance with Section 4(c) and Section 5(a) hereof.

(a) **Compliance with Insider Trading Policy.** Until the later of (i) the date on which the Commitments (as defined in the Loan Agreement) pursuant to the Loan Agreement have expired or been terminated and all Obligations (as defined in the Loan Agreement) (other than inchoate indemnity obligations) under the Loan Agreement have been paid in full indefeasibly in cash (such date, the “**Loan Payoff Date**”) and (ii) the date on which the Holder shall not have any material non-public information concerning the Company, the Holder shall not sell, offer, pledge, sell, contract to sell, sell any option to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase or otherwise transfer or dispose of, directly or indirectly, the Warrant or any Shares unless the same would then be permitted under terms and conditions of its insider trading policy

(b) **Lock-Up.** The Holder will not, during the period ending on the earlier of (x) the first anniversary date of the issuance of any Shares due to the exercise of the Warrant (or, with respect to the exercise of any portion of the Warrant, the first anniversary date of the issuance of any Shares due to the exercise of the final portion of the Warrant) and (y) the Loan Payoff Date, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, the applicable Shares. Furthermore, the Holder will not, during the period ending on the earlier of (x) April 12, 2019 and (y) the Loan Payoff Date, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, the Warrant.

(c) **Exceptions.** The foregoing clauses (a) and (b) shall not apply to: (i) transfers of Shares as a bona fide gift or charitable contribution in a transaction not involving distribution for value; (ii) distributions of Shares to limited partners, members, stockholders or holders of similar equity interests in the undersigned in a transaction not involving distribution for value; (iii) transfers or distributions of Shares to any affiliate or fund under common control; (iv) transfers of Shares to an immediate family member or a trust for the direct or indirect benefit of the undersigned or such immediate family member of the undersigned in a transaction not involving distribution for value (for purposes of this Section 11(b), “immediate family” shall mean any relationship by blood, marriage or adoption, not more remote

than first cousin); (v) transfers of Shares and/or the Warrant by will or intestacy or pursuant to a domestic relations order, divorce decree or court order, (vi) transfers of Shares and/or the Warrant by a stockholder that is a trust to a trustor or beneficiary of the trust or to the estate of a beneficiary of such trust in a transaction not involving distribution for value; (vii) bona fide pledges of the Shares and/or the Warrant to secure indebtedness of the holder or its affiliates; and (viii) transfers of Shares and/or the Warrant pursuant to a Reorganization; *provided* that, in the case of transfers pursuant to clauses (i) through (vi), the transferee will remain subject to the lock-up periods specified in the foregoing clause (b).

(d) **Prohibition on Short Sales.** Prior to the earlier of the expiration of this Warrant and such time as the Holder ceases to be a Holder, the Holder agrees that it will not engage in any short sales (as defined in Rule 200 of Regulation SHO under the Exchange Act) of the Shares or enter into any stock loan arrangement with regards to the Shares.

12. Miscellaneous.

(a) **Amendments.** Except as expressly provided herein, neither this Warrant nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument referencing this Warrant and signed by the Company and the Holder of this Warrant.

(b) **Waivers.** No waiver of any single breach or default shall be deemed a waiver of any other breach or default theretofore or thereafter occurring.

(c) **Notices.** All notices and other communications required or permitted hereunder shall be in writing and shall be mailed by registered or certified mail, postage prepaid, sent by facsimile or electronic mail (if to the Holder) or otherwise delivered by hand, messenger or courier service addressed:

(i) if to the Holder, to the Holder at the Holder's address, facsimile number or electronic mail address as shown in the Company's records, as may be updated in accordance with the provisions hereof, or until any such Holder so furnishes an address, facsimile number or electronic mail address to the Company, then to and at the address, facsimile number or electronic mail address of the last holder of this Warrant for which the Company has contact information in its records; or

(ii) if to the Company, to the attention of the Chief Executive Officer or Chief Financial Officer of the Company at the Company's address as shown on the signature page hereto, or at such other current address as the Company shall have furnished to the Holder.

Each such notice or other communication shall for all purposes of this Warrant be treated as effective or having been given (i) if delivered by hand, messenger or courier service, when delivered (or if sent via a nationally-recognized overnight courier service, freight prepaid, specifying next-business-day delivery, one business day after deposit with the courier), or (ii) if sent via mail, at the earlier of its receipt or five days after the same has been deposited in a regularly-maintained receptacle for the deposit of the United States mail, addressed and mailed as aforesaid, or (iii) if sent via facsimile, upon confirmation of facsimile transfer or, if sent via electronic mail, upon confirmation of delivery when directed to the relevant electronic mail address, if sent during normal business hours of the recipient, or if not sent during normal business hours of the recipient, then on the recipient's next business day. In the event of any conflict between the Company's books and records and this Warrant or any notice delivered hereunder, the Company's books and records will control absent fraud or error.

(d) **Governing Law.** This Warrant and all actions arising out of or in connection with this Warrant shall be governed by and construed in accordance with the laws of the State of Washington, without regard to the conflicts of law provisions of the State of Washington, or of any other state.

(e) **Jurisdiction and Venue.** The Company agrees that any suit, action or proceeding with respect to this Agreement or any other Loan Document to which it is a party or any judgment entered by any court in respect thereof may be brought initially in the federal or state courts in Houston, Texas or in the courts of its own corporate domicile and irrevocably submits to the non-exclusive jurisdiction of each such court for the purpose of any such suit, action, proceeding or judgment. This Section 12(e) is for the benefit of the Holder only and, as a result, Holder shall

not be prevented from taking proceedings in any other courts with jurisdiction. Nothing herein shall in any way be deemed to limit the ability of the Holder to serve any such process or summonses in any other manner permitted by applicable law. The Company irrevocably waives to the fullest extent permitted by law any objection that it may now or hereafter have to the laying of the venue of any suit, action or proceeding arising out of or relating to this Warrant and hereby further irrevocably waives to the fullest extent permitted by law any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. A final judgment (in respect of which time for all appeals has elapsed) in any such suit, action or proceeding shall be conclusive and may be enforced in any court to the jurisdiction of which the Company is or may be subject, by suit upon judgment.

(f) ***Titles and Subtitles.*** The titles and subtitles used in this Warrant are used for convenience only and are not to be considered in construing or interpreting this Warrant. All references in this Warrant to sections, paragraphs and exhibits shall, unless otherwise provided, refer to sections and paragraphs hereof and exhibits attached hereto.

(g) ***Severability.*** If any provision of this Warrant becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, portions of such provision, or such provision in its entirety, to the extent necessary, shall be severed from this Warrant, and such illegal, unenforceable or void provision shall be replaced with a valid and enforceable provision that will achieve, to the extent possible, the same economic, business and other purposes of the illegal, unenforceable or void provision. The balance of this Warrant shall be enforceable in accordance with its terms.

(h) ***Waiver of Jury Trial.*** EACH OF THE HOLDER AND THE COMPANY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATED TO THIS WARRANT.

(i) ***Saturdays, Sundays and Holidays.*** If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall be a Saturday, Sunday or U.S. federal holiday, then such action may be taken or such right may be exercised on the next succeeding day that is not a Saturday, Sunday or U.S. federal holiday.

(j) ***Rights and Obligations Survive Exercise of the Warrant.*** Except as otherwise provided herein, the rights and obligations of the Company and the Holder under this Warrant shall survive exercise of this Warrant.

(k) ***Entire Agreement.*** Except as expressly set forth herein, this Warrant (including the exhibits attached hereto) constitutes the entire agreement and understanding of the Company and the Holder with respect to the subject matter hereof and supersede all prior agreements and understandings relating to the subject matter hereof.

(signature page follows)

The Company and the Holder sign this Warrant as of the date stated on the first page.

COMPANY:

OMEROS CORPORATION

By: _____
Name:
Title:

Address for Notices:
201 Elliott Avenue West
Seattle, Washington 98119
Attn: Chief Executive Officer
Tel.: 206-676-5000
Fax: 206-676-5005
Email: gdemopulos@omeros.com

with a copy to:

201 Elliott Avenue West
Seattle, Washington 98119
Attn: General Counsel
Tel.: 206-676-5000
Fax: 206-676-5005
Email: mkelbon@omeros.com

AGREED AND ACKNOWLEDGED:

HOLDER:

By: _____
Name:
Title:

Address for Notices:
1000 Main Street, Suite 2500
Houston, TX 77002
Attn: Portfolio Reporting
Tel.: 713.209.7350
Fax: 713.209.7351
Email: notices@crglp.com

[Signature Page – Warrant]

EXHIBIT A

NOTICE OF EXERCISE

TO: OMEROS CORPORATION (the “Company”)

Attention: CHIEF FINANCIAL OFFICER

(1) **Exercise.** The undersigned elects to purchase the following pursuant to the terms of the attached warrant:

Number of shares: _____

Type of security: _____

(2) **Method of Exercise.** The undersigned elects to exercise the attached warrant pursuant to:

☐ A cash payment, and tenders herewith payment of the purchase price for such shares in full, together with all applicable transfer taxes, if any.

☐ The net issue exercise provisions of Section 2(b) of the attached warrant.

(3) **Conditional Exercise.** Is this a conditional exercise pursuant to Section 2(f):

☐ Yes ☐ No

If “Yes,” indicate the applicable condition:

(4) **Stock Certificate.** Please issue a certificate or certificates representing the shares in the name of:

☐ The undersigned

☐ Other—Name: _____

Address: _____

(5) **Unexercised Portion of the Warrant.** Please issue a new warrant for the unexercised portion of the attached warrant in the name of:

☐ The undersigned

☐ Other—Name: _____

Address: _____

☐ Not applicable

(6) **[Investment Intent.]** The undersigned represents and warrants that the aforesaid shares are being acquired for investment for its own account and not with a view to, or for resale in connection with, the distribution thereof, and that the undersigned has no present intention of selling, granting any participation in, or otherwise

distributing the shares, nor does it have any contract, undertaking, agreement or arrangement for the same, and all representations and warranties of the undersigned set forth in Section 10 of the attached warrant are true and correct as of the date hereof.]¹

((6][7]) **Consent to Receipt of Electronic Notice.** The undersigned consents to the delivery of any notice to stockholders given by the Company under the Washington Business Corporation Act or the Company’s certificate of incorporation or bylaws by (i) facsimile telecommunication to the facsimile number provided below (or to any other facsimile number for the undersigned in the Company’s records), (ii) electronic mail to the electronic mail address provided below (or to any other electronic mail address for the undersigned in the Company’s records), (iii) posting on an electronic network together with separate notice to the undersigned of such specific posting or (iv) any other form of electronic transmission directed to the undersigned. This consent may be revoked by the undersigned by written notice to the Company.

(Print name of the warrant holder)

(Signature)

(Name and title of signatory, if applicable)

(Date)

(Fax number)

(Email address)

¹ Note to Draft: Include if exercised pursuant to Section 2(a).

EXHIBIT B

ASSIGNMENT FORM

ASSIGNOR: _____
COMPANY: OMEROS CORPORATION
WARRANT: THE WARRANT TO PURCHASE SHARES OF COMMON STOCK ISSUED ON APRIL 12, 2018 (THE “**WARRANT**”)
DATE: _____

- (1) **Assignment.** The undersigned registered holder of the Warrant (“**Assignor**”) assigns and transfers to the assignee named below (“**Assignee**”) all of the rights of Assignor under the Warrant, with respect to the number of shares set forth below:

Name of Assignee: _____
Address of Assignee: _____

Number of Shares Assigned: _____

and does irrevocably constitute and appoint _____ as attorney to make such transfer on the books of Omeros Corporation, maintained for the purpose, with full power of substitution in the premises.

- (2) **Obligations of Assignee.** Assignee agrees to take and hold the Warrant and any shares of stock to be issued upon exercise of the rights thereunder (the “**Securities**”) subject to, and to be bound by, the terms and conditions set forth in the Warrant to the same extent as if Assignee were the original holder thereof.
- (3) **[Investment Intent.** Assignee represents and warrants that the Securities are being acquired for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and that Assignee has no present intention of selling, granting any participation in, or otherwise distributing the shares, nor does it have any contract, undertaking, agreement or arrangement for the same, and all representations and warranties set forth in Section 10 of the Warrant are true and correct as to Assignee as of the date hereof.]²

² Note to Draft: Include to the extent required pursuant to Section 5(a).

Assignor and Assignee are signing this Assignment Form on the date first set forth above.

ASSIGNOR

(Print name of Assignor)

(Signature of Assignor)

(Print name of signatory, if applicable)

(Print title of signatory, if applicable)

Address:

ASSIGNEE

(Print name of Assignee)

(Signature of Assignee)

(Print name of signatory, if applicable)

(Print title of signatory, if applicable)

Address: